



# DAILY REPORT

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*China*

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WARSAW PACT DEFENSE MINISTER'S MEETING ENDS

OW131814 Beijing XINHUA in English 1644 GMT 13 Jan 83

[Text] Prague, January 13 (XINHUA) -- A three-day meeting of the Warsaw Pact defense ministers ended here today, CTK NEWS AGENCY reported.

The meeting was also attended by the commander-in-chief and chief of staff of the pact joint forces.

The "working meeting" was held in an atmosphere of "friendship and mutual understanding" the report said. It discussed the "day-to-day work" of the joint forces and passed some resolutions.

ROMANIA HAILS CEAUDESCU ROLE IN RECENT SUMMIT

OW161037 Beijing XINHUA in English 0736 GMT 16 Jan 83

[Text] Bucharest, January 15 (XINHUA) -- A joint meeting of the Executive Political Committee of the Communist Party Central Committee, the State Council and the Government of Romania today highly appraised President Nicolae Ceausescu's efforts and the principles he expressed at the recent Warsaw Pact summit.

The meeting also expressed satisfaction with the principle governing relations among states adopted at the two-day Warsaw Pact summit ended 11 days ago in Prague -- one of equality, respect for independence and state sovereignty, non-interference in internal affairs, mutual benefit, refraining from the use of force or threat of force in relations among states.

Chaired by President Ceausescu, the joint meeting pointed out that the planned deployment of new medium-range missiles in Europe should be stopped by all means, and those already deployed should be removed and destroyed so as to turn Europe into a continent free of either medium-range missiles or tactical nuclear weapons.

The meeting also stressed the importance of the establishment of a nuclear-free zone in northern Europe, the Balkans and other parts of Europe.

It stressed the special significance of a simultaneous dissolution of the two military alliances, NATO and the Warsaw Pact, dismantling of foreign military bases and withdrawal of all foreign troops from any country.

NONALIGNED COORDINATING BUREAU MEETS IN MANAGUA

OW160450 Beijing XINHUA in English 1506 GMT 15 Jan 83

[Text] Managua, January 14 (XINHUA) -- Non-aligned countries have expressed concern over the tension in Latin America and support for the Latin American peoples' struggle for political and economic independence at a meeting called by the coordinating bureau of the non-aligned nations.

The 5th ministerial meeting of the bureau continued their discussions in the past two days on the situation in Latin America and the Caribbean region.

Panamanian Foreign Minister Juan Jose Amado said that the background of both the conflicts and the process of political development in Central America is the East-West confrontation. He proposed to settle the conflicts through mutual efforts by countries in the region, and considered it "inept" for these countries to establish a "strategic alliance." He reaffirmed the anti-imperialism principle and voiced support for consultations and proposals aimed at a peaceful solution to the Malvinas issue.



Guyanese Foreign Minister Rashleigh Jackson called for the establishment of a "peace zone" in the Caribbean region. Jamaican Foreign Minister Hugh Lawson Shearer called for restriction of "foreign interference."

Mexican Representative Victor Flores Olea reiterated Mexico's stand against the use of force, disruption of stability and arms race. Mexico "hopes a nuclear-freeze zone to be established on the American Continent," he declared.

Korean Foreign Minister Ho Tam noted that imperialist plots in Latin America and the Caribbean region have reached an alarming extent.

Iraqi Foreign Minister Sa'dun Hammadi said that it is worrisome that Latin America is faced with the danger of military intervention and other forms of pressure and aggression.

Yugoslav Foreign Minister Lazar Mojsov said that arms race has aggravated the economic difficulties in Latin America. He asked developed countries to promote economic cooperation beneficial to the developing countries.

Indian Foreign Minister Narasimha Rao reaffirmed the principle of equality among states and his country's opposition to the system of alignment.

A committee is busy preparing a final declaration for the meeting. But some representatives have expressed reservations over certain paragraphs of the Nicaragua-prepared draft declaration. Delegates to the meeting are reportedly debating the paragraphs on economic issues and the condemnation of the U.S. policy toward Central America and Nicaragua.

#### Issues Declaration

OWL61228 Beijing XINHUA in English 1130 GMT 16 Jan 83

[Text] Managua, January 15 (XINHUA) -- Non-aligned countries today stressed that the internal affairs of Latin America and the Caribbean region should be solved by the countries there free from outside interference.

The 5th special ministerial meeting called by the Coordinating Bureau of the non-aligned countries ended here this morning with the adoption of a "Managua declaration."

The declaration said that Latin America and the Caribbean region "are not a strategic reserve of any country." The participants expressed support for the Latin American people's struggle of "historic significance" and for the creation of a regional organization representing the interests of the Latin American countries, it said.

On Central America, it asked the countries there to "free themselves from all kinds of outside interference and to solve their problems themselves." The declaration expressed "firm support" for the Nicaraguan people and government in their struggle for defending national sovereignty and independence. It also denounced any threat and aggression against Nicaragua.

The participants were particularly concerned over the imperialist suppression and interference in El Salvador and called for "immediate and unconditional" termination of such interference. They asked the U.S. Government to adopt a constructive position on this issue, the declaration stated. It also voiced support for Argentina's claim to the Malvinas (Falkland) Islands.

The participants were worried by the worsening world economy and the failure to make progress for the establishment of a new international economic order. Under such circumstances, the declaration pointed out, economic cooperation among the developing countries has become more important, because it is a major component in the efforts for the establishment of a new international economic order and for the furtherance of the strategy of collective self-reliance, it said.

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The 5th special ministerial meeting opened on January 10. 116 delegations from 85 countries attended the meeting.

PRC ENVOY TO UN SCORES SRV POLICY ON REFUGEES

OW130720 Beijing XINHUA in English 0701 GMT 13 Jan 83

["China Calls For Solution to Refugee Problems" -- XINHUA headline]

[Text] United Nations, January 12 (XINHUA) -- Practical solutions to the refugee problems in Afghanistan, Indochina, the Middle East and southern Africa should be found by tracking down the root causes of these problems. This was suggested by Chinese Permanent Representative to the United Nations Ling Qing in a letter released to the U.N. secretary-general here today.

For a permanent settlement of these problems, Ling Qing stated, it is essential to grasp firmly the political and ethnic causes that have created these massive flows of refugees and to eradicate them. He said the only way to prevent the flow of refugees is to put an end to the military aggression and occupation of Afghanistan and Indochina by the Soviet Union and Vietnam, the Israeli aggression and expansion in the Middle East and the racist practices of the South African authorities.

On the Indo-Chinese refugee problem, he said the Vietnamese Government has used all sorts of pretexts to evade the real causes of the problem and sidetrack the issue. "This is absolutely unacceptable." He recalled that the massive flows of Indo-Chinese refugees began in 1978, when Vietnam launched an open armed aggression against independent and non-aligned Democratic Kampuchea and adopted racially discriminatory policies against citizens of Vietnam of non-Vietnamese descent.

By early 1979, he continued, the Vietnamese authorities had expelled several hundred thousand refugees. 190,000 of the refugees were forced into exile in China and many others were drowned on high seas before reaching other countries and areas in South-east Asia.

Ling Qing said nearly 400,000 Kampuchean refugees have left their homes and lived in exile in areas near the Kampuchean-Thai border because of the Vietnamese invasion and occupation of Kampuchea. "Confronted by these hard facts," he stressed, "all the attempts by the representative of the Vietnam to explain away the criminal acts of his government are futile."

Ling Qing called on the international community to compel the Vietnamese authorities to implement the relevant resolutions adopted by the General Assembly since 1979, cease its aggression against Kampuchea, withdraw its aggression forces from Kampuchea, and abandon its hegemonic policies in Indochina. Ling Qing requested that the letter be distributed as an official document of the General Assembly under the item entitled "International Co-operation To Avert New Flows of Refugees."

UN SPECIAL ENVOY AGAIN ON AFGHAN MISSION

OW180330 Beijing XINHUA in English 0112 GMT 18 Jan 83

[Text] United Nations, January 17 (XINHUA) -- The U.N. spokesman announced here today that personal representative of the U.N. secretary-general Diego Cordovez would undertake a mission again to help seek a solution to the Afghanistan problem.

Mr Cordovez will leave New York tomorrow for Geneva and proceed to Tehran on 21 January. He is expected to arrive in Islamabad on 23 January and fly to Kabul on 27 January. The remainder of the schedule will be worked out on the basis of the progress of the discussions.

According to the spokesman, Mr. Cordovez was asked to take the trip by Secretary-General Javier Perez de Cuellar and he would focus his discussion on the substantive contents of a comprehensive settlement.

UN APARTHEID CHAIRMAN DENOUNCES SOUTH AFRICA

OW180332 Beijing XINHUA in English 0144 GMT 18 Jan 83

[Text] United Nations, January 17 (XINHUA) -- The chairman of the Special Committee Against Apartheid today denounced the South African racist regime for its plans for "constitutional reform".

Yusuf Maitama Sule, chairman of the special committee, pointed out that the plans of the apartheid regime "are to set up subordinate and segregated 'parliaments' for the Indian and colored minorities in order to entrench white domination."

"The African majority is not only excluded from these 'reforms', but the regime is trying to exclude it from citizenship through its diabolic policy of Bantustans ('self-government' by Bantus)," he said.

Mr. Sule described the plans as an attempt of the South African regime to "divide the oppressed people and deceive world public opinion" in order to perpetuate its "criminal policy of apartheid".

He strongly appealed to the international community to denounce the South African regime for such maneuvers.

He expressed his satisfaction with all the leaders of the oppressed people of South Africa for their total rejection of the proposed "constitutional reform" plans.

UNDP AIDS PRC IN MODERNIZATION, OTHER PROJECTS

OW140926 Beijing XINHUA in English 0734 GMT 14 Jan 83

[Text] Beijing, January 14 (XINHUA) -- United Nations Development Program (UNDP) provided a total of more than 84 million U.S. dollars for 147 Chinese projects in 1980-1982, according to information released today by the Chinese Ministry of Foreign Economic Relations and Trade.

According to the ministry, China and UNDP held talks earlier in Beijing and decided on 24 new projects which will have UNDP aid. These projects are to be approved for implementation in the first half of this year.

Of the 147 projects, 130 have been signed or approved by UNDP and China and 23 have been completed, according to the release.

Among the completed projects are: The improvement of two institutes of foreign languages and an institute of foreign trade, automatic mail sorting facilities, modernization of the capital airport runway apron, improvement of the loess plateau in northwest China, oil-bearing seed processing technology and commodity inspection, the construction of an international economic and trade law center, improvement of trade information and the survey of export markets, intensifying the food hygiene research and inspection, the setting up of an organic geochemistry testing and research center, improvement of the prevention and treatment of current urological diseases and frozen semen artificial insemination and the upgrading of aluminum refining.

China imported some advanced technologies with UNDP aid, according to the information released, and this has helped promote the growth of China's economy and its technical development.

The release said that China and UNDP co-sponsored seven regional centers in China for training people for countries in Asia and the Pacific region, sharing China's experience and technologies and promoting cooperation and exchanges among the developing countries in this region.

This co-operation is helpful to the expansion of South-South co-operation and helped establish connections between international organizations, government agencies, factories, companies and individuals.

ANTARCTIC TREATY NATIONS MEET ON MINERALS

OW170804 Beijing XINHUA in English 0740 GMT 17 Jan 83 /

[Text] Wellington, January 17 (XINHUA) -- A two-week special consultative meeting of Antarctic Treaty nations opened here today to discuss environmental protection and a scheme for discovering and possibly exploiting the mineral deposits in Antarctica

Representatives from the 14-signatory countries -- Australia, Argentina, Britain, Chile, France, New Zealand, Norway, Belgium, Japan, South Africa, the United States, the Soviet Union, Poland and West Germany -- attended the meeting.

The meeting, which is to end on January 28, is a continuation of the first session of the Special Consultative Meeting on Antarctic Minerals last June.

ROSTOW REPLACED AS ARMS CONTROL AGENCY HEAD

OW170154 Beijing XINHUA Domestic Service in Chinese 1647 GMT 13 Jan 83

[Text] Beijing, 13 Jan (XINHUA) -- Washington report: Kenneth Adelman, the new director of the United States Arms Control and Disarmament Agency, said on 12 January that at present "there exists a genuine opportunity for conducting successful talks (with the Soviet Union)." He also said that his primary objective was to reach agreements with the Soviet Union on "genuine reduction" of both the nuclear and the conventional arms.

Adelman was nominated by President Reagan on 12 January to replace the former director, Eugene Rostow. At the same time, Reagan also nominated former Senator David Emery, a comparatively conservative person, as the deputy director of the agency.

Announcing the nominations, President Reagan said: "I am confident that they will make an early and major contribution to our efforts to achieve genuine arms reductions."

White House Spokesman Speakes emphasized on the same day that the President regarded certain personnel changes in the arms control team as "beneficial," but he declined to say whether or not this action was taken because differences over policies existed between Rostow and Reagan. It is reported that although Rostow is a conservative Democrat who supports Reagan's policies, he has always been criticized by Republican conservatives for being too soft in dealing with Moscow.

RENMIN RIBAO REPORTS U.S. DEFENSE BUDGET CUTS

HK140540 Beijing RENMIN RIBAO in Chinese 13 Jan 83 p 7

[Unattributed report: "United States Announces Defense Budget Cuts"]

[Text] According to reports from Washington, U.S. President Reagan accepted on 12 January Defense Secretary Weinberger's proposal, which was put forth a day before, of cutting \$11.3 billion from the defense budget for the 1984 fiscal year, reducing it to \$273.4 billion.

In an interview with reporters on 11 January, Weinberger said that the reason why the United States can reduce its defense spending is the lower charge for fuel and a lower rate of inflation. He said: As a result of cutting military expenditures, the United States will from now on reduce its military maneuvers and training exercises. However, these reductions will not bring about an adverse effect on major planned projects needed for restoring U.S. national security. He said: In the face of continued economic recession and increasing tremendous budget deficit, it is necessary to cut the defense budget.

Reagan has also decided to submit the plan for cutting the defense budget to Congress for discussion later this month. Reagan warned Congress not to make further cuts in military spending in order not to "affect U.S. security."

U.S. OFFICIAL NOTES INDIAN OCEAN MILITARY ROLE

OW141404 Beijing XINHUA in English 1231 GMT 14 Jan 83

[Text] Tananarive, January 13 (XINHUA) -- Chester Crocker, U.S. assistant secretary of state for African affairs, said today that the American military presence in the Indian Ocean is aimed at safeguarding the security of the region and the interests of the West.

Crocker said this at a press conference here held before his departure at the end of a two-day visit to Madagascar.

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He said that the United States has normal relations with Madagascar. His arrival here is mainly for exchanging views with Malagasy leaders on mutual relations and international issues.

Observers here noted that Crocker is the highest-ranking official from the United States to visit this island nation since President Didier Ratsiraka took office in 1975. From 1981 to 1982, the U.S. offered 29 million dollars in aid to Madagascar.

Crocker arrived here from Zimbabwe where he led a U.S. delegation to attend the 13th conference of the Africa-American Institute. He will visit Mozambique, Niger, Guinea and Senegal.

U.S. TO IMPOSE RESTRICTIONS ON PRC TEXTILES

OW141905 Beijing XINHUA in English 1834 GMT 14 Jan 83

[Text] Washington, January 13 (XINHUA) -- The U.S. Government announced today it "will take actions" to impose new restrictions on the importation of Chinese textile.

The announcement was made by the State Department spokesman John Hughes when briefing reporters at the State Department. Hughes said the U.S. Government is "prepared to continue addressing our textile trade problems through a mutually acceptable agreement."

The first Sino-U.S. textile agreement expired on December 31, 1982. However, on December 28 last year, the United States, for putting pressure on China, claimed that if no agreement is reached between the two sides before January 15, 1983, it will begin to impose unilateral import restrictions as from that day.

In addition, a spokeswoman for U.S. trade representative Bill Brock reportedly said quotas, backdated to January 1, will be imposed on January 15 to hold some textile imports at last year's levels.

Chinese textiles not covered under quotas in 1982 will be limited to levels equal to the amount imported in the year ending last October 31, she added.

CHINA DAILY Article Raps U.S.

HK160030 Beijing CHINA DAILY in English 16 Jan 83 p 2

[Article by Zhu Ling: "Textile Talks Fail Due To U.S. Obstinacy"]

[Text] The fourth round of talks seeking a second textile agreement between China and the United States has ended in failure.

The talks that ended on Thursday were held under the threat of the Reagan administration's announcement last December that it would act unilaterally to curb imports of Chinese textiles into the United States starting today if the two sides failed to reach an agreement.

The talks started last August in Beijing. Second and third rounds followed in Washington.

From the beginning, the United States asked for a free hand to restrict imports of Chinese textiles at will, claiming that Chinese textiles had disrupted the American market and created problems for the American textile industry and employment.

This was entirely unfair as China supplies only 6 percent of the total U.S. textile imports. Besides, China mainly exports cloth for American manufactures to use as raw material to dye or print. Such deals undoubtedly cater to their interests. Yet three rounds of negotiations got nowhere.

When the fourth round began on January 6, the U.S. side did what it could to blackmail China into curbing her exports.

From the outset, the U.S. side insisted on negotiating restrictions on 28 to 32 categories of Chinese textile products. In 1980, import quotas were placed on only seven categories.

Even worse, the U.S. delegation demanded that the quota for one major category be reduced. This went against its own previous commitment not to cut quotas.

The Chinese side agreed to discuss expanding the number of categories involved from 21 categories to 28.

China also made concessions regarding the base on which specific limits would be figured. China agreed to use the 1982 agreement level as a base and that agreement placed restrictions on 14 categories.

However, the U.S. delegation insisted on including 32 categories in the specific limit structure and continued to add new categories in its proposals on January 12. "This made it impossible for us to carry on the talks," according to an official of the Chinese Ministry of Foreign Economic Relations and Trade.

The Chinese side proposed three times that a provisional arrangement be prepared so talks could continue later. But the U.S. delegation would not consider it, the official said.

China is a newcomer in the American market and should enjoy equal treatment, which was not fully reflected even in the first agreement between the two countries. The fact that China has suffered a big deficit in its trade with the United States since 1972, except for 1977, should be taken into consideration.

China will respond strongly if the U.S. unilaterally imposes import control, the official said.

#### RENMIN RIBAO Commentator's Article

HK160727 Beijing RENMIN RIBAO in Chinese 16 Jan 83 p 2

[Commentator's article: "The United States Should Abandon Its Arbitrary Attitude"]

[Text] The fourth round of Sino-U.S. textile agreement talks in Beijing have produced no result due to the U.S. side's insistence on adopting discriminatory and strict limitation measures against China's textile exports to the United States.

The first Sino-U.S. textile agreement expired at the end of last year. The Chinese and U.S. trade delegations held three fruitless rounds of talks on drawing up a new agreement. Before the fourth round started, the U.S. side announced that unless the talks produced an agreement, the United States was prepared to institute unilateral import restrictions. The talks were thus held under the dark shadow of this unreasonable U.S. threat.

In order to reach an agreement, the Chinese side took the U.S. demands into full account and made fair and reasonable concessions during the talks. Some of these concessions were rather large. However, the U.S. side stuck to its extremely arbitrary attitude. Apart from failing to make any substantial concessions, it even raised new issues and put forward new and unreasonable demands on expanding the scope of restrictions on import of Chinese textiles and lowering the annual growth rate.



As a result the discussions frequently ended in deadlock. On the question of the size of import quotas for Chinese textiles, the U.S. side publicly went back on its past promise "not to cut the original quotas," and proposed instituting big cuts in the quotas for major categories. In order to maintain the normal progress of Sino-U.S. textile trade and create a good atmosphere for the talks, the Chinese side three times proposed to the U.S. side that both sides should agree on a temporary arrangement and also continue the talks, since it had not been possible to reach an agreement for the time being. However the U.S. side took no notice whatever of this; instead it put pressure on China by announcing that it was prepared to institute unilateral export restrictions. These facts fully show that the U.S. side is not in the slightest degree sincere about the talks and has no intention of making any constructive effort. As a result, the U.S. side is solely to blame for the failure of the fourth round of the Sino-U.S. textile talks to produce an agreement.

The U.S. attitude in the Sino-U.S. textile agreement talks runs completely counter to the stipulations of the Sino-U.S. trade agreement and the normal practices of international trade. As everyone knows, international trade has to be conducted in accordance with the principle of equality and mutual benefit and mutual consultation. Sino-U.S. trade started to revive after 1972. As far as textiles are concerned, China's exports to the United States account for only 6 percent of total U.S. textile imports, a much lower proportion than that of some countries and regions. Moreover, Sino-U.S. trade has been in imbalance for a long time, and China has consistently had a deficit. Common sense would have it that it should be China, not the United States, which has cause to impose restrictions on imports. Therefore, whether in terms of developing Sino-U.S. trade relations or maintaining trade balance between the two countries, the United States should seriously consider China's reasonable demands. However, the United States has mistakenly thought that China has need of it; and instead of holding equal consultations in the talks, it has arrogantly attempted to impose its will on others, only demanding that China make big concessions without making any substantial concessions itself. The Chinese side absolutely cannot tolerate this arbitrary attitude.

Developing Sino-U.S. trade and strengthening equal and mutually beneficial economic cooperation between the two countries is of important significance for consolidating and developing Sino-U.S. relations. The Chinese side views the Sino-U.S. textile agreement talks from the overall situation of Sino-U.S. relations. The U.S. authorities should abandon their erroneous attitude and create favorable conditions for the smooth development of Sino-U.S. trade and economic relations. If the United States goes on acting in its mistaken way, this cannot but have a harmful effect on future Sino-U.S. trade and economic relations.

#### RENMIN RIBAO EXAMINES U.S. ECONOMIC POLICY

##### Opposition to Reagan Noted

HK141444 Beijing RENMIN RIBAO in Chinese 14 Jan 83 p 7

[Unattributed report: "U.S. Industrial and Commercial Circles, Unable To Tolerate Reagan's Economic Policy, Will Publish Advertisements Openly Calling on Reagan To Change the Course"]

[Text] According to THE WASHINGTON POST, some hundreds of prominent figures in U.S. industrial, commercial and financial circles are planning to launch a large-scale propaganda movement through publishing advertisements in newspapers to call on the Reagan administration to thoroughly change its budget and tax revenue policies so that the enormous financial deficit of the government can be reduced.



It was reported that a draft of the advertisement, which was designed by former Secretary of Commerce Petersen and five former secretaries, presently is being circulated among the industrial and financial circles as well as among lawyers and scholars to collect signatures. The draft says: The federal budget is now out of control and the current financial policy is utterly meaningless. The advertisement calls for a reduction of expenditures on national defense and social insurance by a big margin and an increase of tax revenues. The concrete suggestions include: by 1985, cutting down the expenditures on social insurance, federal pensions and other social welfare projects by about \$60 billion; cutting down the expenditures on national defense by \$25 billion by 1985, besides imposing restrictions on soldiers' post-service funds; increasing the tax levy on energy resources and consumer goods, such as cigarettes and liquor, and charges for using public facilities so that about \$60 billion in new taxes can be levied by 1985. The draft says: If the above-mentioned measures are not adopted, the economy will possibly continue to be "stagnant" "in the remaining years of this century." Norman Hackerman, initiator of this movement and president of Rice University in Houston, said: "I admit that this is strong medicine, but we are suffering from a chronic and stubborn disease." Therefore, this is a "must." THE WASHINGTON POST held that the publication of this advertisement initiated by well-known people in the industrial and commercial circles "is an extraordinary event that shows the rupture between the leaders in the industrial and commercial circles and the government."

'Strong Medicine' Prescribed

HK141424 Beijing RENMIN RIBAO in Chinese 14 Jan 83 p 7

["International Jottings" by Xiao Xi [5135 6007]: "A Seriously Ill Patient Will Take Any Kind of Medicine"]

[Text] Some prominent figures in U.S. industrial and commercial circles are planning an advertising offensive to force the Reagan administration to change its economic policy. This is an extraordinary event.

Since Ronald Reagan took charge of the affairs in the White House, he has taken the views of the supply-siders as the standard, hoping that he could do something in the economic field. However, over the past 2 years, the U.S. economy has gone from bad to worse, and the situation this year is no better. The unemployment rate is frightfully high and the financial deficit may soon reach \$200 billion. If Ronald Reagan was described as a President who "robs the poor to help the rich" in the past due to his policy which was unfavorable to the poor, then this time, even the rich people are feeling intolerant and are complaining aloud. The illness the U.S. economy is suffering at present is really a kind of serious "chronic and stubborn disease."

Now, the people in the U.S. industrial and commercial circles have prescribed a recipe of "strong medicine" to Ronald Reagan. This is really a bitter pill for Reagan to swallow, for he has always bragged about the vigorous development of the economy through reducing taxes. However, only God knows whether the pill can cure the "chronic and stubborn disease" of the U.S. economy. Judging from past experiences, this "strong medicine" is no better than any other kinds of medicine a seriously ill patient will take.

XINHUA REVIEWS U.S. RELATIONS WITH JAPAN

OW151310 Beijing XINHUA in English 1246 GMT 15 Jan 83

["Review of Japanese-U.S. Relations -- Background to Nakasone's Scheduled U.S. Visit by XINHUA Correspondent Ding Baozhong" -- XINHUA headline]

[Text] Washington, January 15 (XINHUA) -- Two U.S. congressional bills passed one month ago may give some insight into the Japanese-U.S. relations on the eve of Japanese Prime Minister Yasuhiro Nakasone's visit to the United States.

On December 15, the House of Representatives passed a "local content" bill under which foreign cars to be sold on U.S. markets should contain several parts made in the United States. On the same day at the Senate Foreign Affairs Committee, a bill was passed to urge Japan to increase its defense budget from 1 percent of Japan's annual gross national product to 1.5-2.0 percent by 1990. These bills serve to illustrate more or less the relationship between the two countries in recent years.

The flooding of Japanese commodities, which have a greater competitive power, in the American markets and the poor performance of U.S. export to Japan have combined to increase U.S. trade deficits with Japan, which rose to 16 billion U.S. dollars in 1981 and an estimated 20 billion dollars in 1982. Statistics show that in American markets, more than 20 percent of cars and television sets, 90 percent of motor-bikes, more than 10 percent of steel products and 50 percent of machine tools, tape-recorders and watches come from Japan. In Japanese markets, however, U.S. products, with the exception of farm products, take up only an insignificant share.

Both countries are in the grip of a deep economic recession. The United States, in particular, is suffering from a recession which has lasted 17 months, with the number of unemployed reaching a record high since the Great Depression of the 1930's. Steel and auto industries have borne the brunt. To find a way out of its present difficulties, the United States has not only imposed more restrictions on imports from Japan, but also pressured Japan to open up its markets for U.S. goods by further lowering its custom duties, thus arousing the discontent of the Japanese side.

Related to this is the defense spending issue. Since 1976, Japanese defense spending has been kept under one percent of its GNP. With the steady growth of Japanese economic power, however, the United States has been calling on Japan to undertake more defense commitments, instead of confining itself to economic development under the U.S. military protective umbrella, in order to counter, together with the United States, the Soviet military buildup in the Asian and the Pacific region. Last year, the Japanese Government had promised, to the appreciation of the U.S., to extend its defense area to waters 1,000 nautical miles off Japan proper. This promise, however, has so far not been matched by concrete actions, the United States complained. It has been urging Japan to make greater efforts to beef up its self-defense capability.

Both the United States and Japan set great store by their bilateral relations as they share common strategic interests. The United States sees Japan as its leading ally in Asia while Japan considers its security as geared to its relations with the United States. Japanese new Prime Minister Yasuhiro Nakasone has said that Japan-U.S. relations were of "prime importance".

To ease the strained relations in trade and defense between the two countries, Nakasone has prepared two "gifts" for his forthcoming U.S. visit: one is fresh cuts in import duties involving altogether 323 industrial and agricultural products, but the restrictions on U.S. beef and orange exports remain in force; the other "gift" is a 6.5 percent increase in Japan's defense spending for 1983.

For the United States, Nakasone's "gifts" would appear a little insignificant whereas for Japan, the two U.S. bills would be something hard to accept. They pose knotty problems before the leaders of the two countries when they meet to smooth out their differences.

The two talks, of course, will not confine their talks to bilateral relations. Common language would be found when they turn to international issues of strategic importance.

PRC TO IMPORT LANDSAT GROUND STATION FROM U.S.

OW170758 Beijing XINHUA in English 0714 GMT 17 Jan 83

[Text] Beijing, January 17 (XINHUA) -- China will soon purchase a LANDSAT ground station from the United States which will hook into the U.S. LANDSAT system, the Chinese Academy of Sciences announced today.

A contract on the project was signed here last month by Qu Shouci, general manager of the China Oriental Scientific Instruments Imports and Export Corporation, and Sharad K. Tak, vice-president of the U.S. Systems and Applied Sciences Corporation.

A spokesman for the space science and technology center under the Chinese Academy of Sciences said the new station will receive data from the U.S. LANDSAT, to help analyze China's geological structure, locate mineral resources and provide data to the Departments of Water Conservancy, Agriculture, Forestry and Environment for utilization of land, estimation of crop yields, irrigation, control and prevention of plant diseases and insect pests, environmental monitoring and protection, alterations in river courses and shorelines, and predict natural calamities.

Research in the academy's space science and technology center includes satellites for natural resources, remote-sensing and ground reception.

COMMENTARY VIEWS GROMYKO VISIT TO BONN

224 Beijing XINHUA in English 2142 GMT 16 Jan 83

Commentary: Gromyko's Bonn Visit Noteworthy" -- XINHUA headline]

[Text] Beijing, January 16 (XINHUA) -- The visit to West Germany by Soviet Foreign Minister Andrey Gromyko which starts today is the first tour by a Soviet leader to a Western country since the new Soviet leadership came to power after the death of Brezhnev. It has absorbed much interest internationally.

West Germany has always occupied an important position in Moscow's foreign policy. During his days, Brezhnev visited Bonn several times and laid stress on developing Soviet-West German relations. In 1981, he called for a "great project" in Soviet-West German economic relations which he said should last to the next century. This was indeed a very attractive lure to Bonn which was facing growing economic difficulties. Hence the conclusion of the Soviet-European natural gas pipeline deal to the displeasure of Washington.

It may be recalled that Brezhnev's last trip to Bonn was made in November, 1981, just before the opening in Geneva of the U.S. Soviet talks on medium-ranged nuclear weapons in Europe. Observers pointed out that the visit was clearly aimed at testing Western positions on the arms issue and looking for chances to sow discord in the Western alliance.

Just like Brezhnev's 1981 visit, Gromyko's tour of Bonn is made on the eve of the resuming of the same disarmament talks between Washington and Moscow. An AFP dispatch from Moscow described Gromyko's visit this time as an important step in the Soviet diplomatic offensive directed on NATO's missile deployment in Western Europe.

As is known to all that NATO will begin to deploy 572 Pershing-2 and cruise missiles in five West European countries by the end of this year to counteract the Soviet SS-20 missiles, with West Germany as the country in which more NATO missiles will be deployed than in other four countries. To upset the Western plan, the new Soviet leadership recently put forward a series of "peace offensive" proposals. At first, it agreed that it will reduce its missiles in Europe to the number of missiles possessed by British and French; then it suggested that the Warsaw Pact and NATO sign a non-aggression treaty; later, it not only agreed to remove but destroy part of the missiles. Evidently, these proposals not only aims at West European governments but also keep in view the ever mounting anti-nuclear movement in Western Europe.

Facing the Soviet offensive, the West countries showed "indifference" at the beginning, but later on, they gave "high appreciation" to them.

In view of its current economic crisis, the surging peace movement and the upcoming national election, West Germany has expressed welcome to the Soviet proposals with reservations. Such response is obviously a "positive factor" of which Gromyko can take advantage.

To counter the Soviet offensive, the United States on the one hand indicated that it would study the proposals carefully with its allies, but on the other hand it stressed that the Soviet Union should show its willingness in deeds, trying to put the ball in Kremlin's court. By the end of this month, U.S. Vice-President George Bush will visit seven West European countries, including five NATO member countries. West Germany will be on his first leg.

The above facts shows that the rivalry between the two superpowers evolving around nuclear weapons is increasingly sharpening.

PRC SEEN SILENT ON CRITICAL SOVIET ARTICLE

AU151525 Rome ANSA in English 1510 GMT 15 Jan 83

[Text] (ANSA) -- Beijing, January 15 -- There has still been no official reaction here to an editorial appearing in the last edition of the Soviet periodical NEW TIMES which harshly criticized the Beijing government for its "anti-Soviet attitudes".

A Chinese Foreign Ministry spokesman announced recently that talks on normalization of Sino-Soviet relations would resume in Moscow at the beginning of March.

After months of silence, the Kremlin attacked Chinese leaders, questioning the sincerity of their desire for normalized relations between the two countries.

NEW TIMES accused Chinese leaders of wanting to create an anti-Soviet atmosphere, resuming a polemic over the territories annexed by Czarist Russia by means of "unequal treaties".

Questioned by ANSA today, a Chinese Foreign Ministry spokesman acknowledged the article but declined to comment. The article has not been picked by the NEW CHINA NEWS AGENCY, usually very attentive to issues of this kind.

Observers interpret the silence as a sign that the critical article caught Chinese leaders by surprise. Others say the delay could be due to the absence of Prime Minister Zhao Ziyang and Foreign Minister Wu Xueqian, currently on a tour of African countries.

SOVIETS PREDICT COSMOS-1402 FALL IN MID-FEBRUARY

OW180605 Beijing Domestic Service in Mandarin 0300 GMT 17 Jan 83

[Text] The Soviet Union announced yesterday that its artificial earth satellite Cosmos-1402 is expected to enter the earth's dense atmosphere in mid-February. This satellite was directed by ground control to split into three parts after it stopped functioning on 28 December. One part burned up on 30 December during its entry into the atmosphere. The remaining two parts are expected to enter the dense atmosphere successively at the end of January and the middle of February.

According to past Soviet announcements, Cosmos-1402 is in a low orbit. After it stopped functioning, this type of nuclear-equipped satellite should have been put into a higher orbit permanently at an altitude 800 km above the ground so that no radioactive substance could jeopardize people. However, due to malfunction, Cosmos 1402 cannot do so -- so the only way is to split it up into fragments to minimize the harm done when it falls.

## USSR's 'Star of Peril' Viewed

HK160335 Guangzhou FANFANG RIBAO in Chinese 15 Jan 83 p 4

[Article by Kang Shikai [1660 1597 2815]: "Will the Soviet-Made 'Star of Peril' Fall Among Men?"]

[Text] U.S. intelligence departments announced on 5 January that a Soviet nuclear-powered satellite had gone out of control and would fall to earth before 23 January. This news has aroused the close attention and high vigilance of many countries. The reason is that if this happens and if radioactive uranium-235 falls in a densely populated area, the radioactive pollution will doubtless do serious harm.

These are not unnecessary worries, because a similar event occurred in the past. On 24 January 1978 a nuclear-powered satellite, also Soviet-made, fell in northwest Canada, causing serious nuclear radioactive pollution. This was a major international affair at that time. Afterward the Soviet Union paid \$3 million in compensation. But this small sum of money was actually insufficient to cover the expenses for removing the pollution. In addition, nuclear radiation may seriously injure men!

The official Soviet department concerned made a statement saying that its satellite was "functioning properly and in no danger." However, it did not supply further information. U.S. opinion holds that the Soviets may be taking remedial measures to prevent it from falling and that the statement that it is "in no danger" is unreliable.

After suffering nuclear pollution which fell from the skies in 1978, Canada appealed to the United Nations, demanding international restrictions on the launching of this type of nuclear-powered satellite. At that time the United States also demanded the signing of an international agreement forbidding launching of radioactive materials into space orbit. However, the Soviet Union obstinately objected to this demand, thus arousing public disgust. The matter did not yield fruitful results. Now, the "star of peril" has not fallen yet. Where will it fall? What harm will it cause? How accurate is the U.S. announcement? There are no clear answers to these questions yet. Nevertheless Japan, Canada and some other countries are prepared to propose again the signing of a relevant international treaty banning the launching of nuclear-powered satellites by any country.

BEIJING RUSSIAN RECALLS ZHENBAO ISLAND INCIDENT

OW180538 Beijing in Russian to the USSR 1800 GMT 16 Jan 83

[Text] Dear Soviet radio listeners: In October-November of last year (Lu Fowei), correspondent of LIAOWANG JOURNAL, visited the northeast borders of our country. He wrote a report about his impressions entitled "From Zhenbao Island to Suifenhe" which was published in LIAOWANG JOURNAL Number 12 of 1982. We will now broadcast a summary of the report:

One day in October I left Mudanjiang city in Heilongjiang province for the northeast. In a few hours the train arrived at its destination, Dongfanghong station in Mulin County. The platform was very crowded. The commander of the 9th border guards unit drove us in his jeep to (Wulindong) where our border guards are stationed.

Previously this was a god-forsaken hole, but now it has turned into a busy population center with a post office, shops and schools. Most of the local residents are engaged primarily in forestry. They also engage in other trades, farming and fishing.



I visited a number of houses. Women who were cooking met me hospitably, offered me tea and cigarettes and asked about news from the capital. In the morning, together with several comrades, I left for Zhenbao Island. Before us lay the Wusuli River -- the border river -- and not far from shore two fishermen were casting nets for salmon.

Zhenbao Island was previously a part of the land but later, due to erosion by the river, it gradually became an island. But even now during low water it again joins the land. Zhenbao Island lies on the Chinese side of the middle of the navigation channel of the Wusuli River 100 meters from the western shore and 300 meters from the eastern shore. It is a small island and its area is only 0.74 square kilometers.

In 1958 and 1860 Tsarist Russia forced the Chinese Government of the day to sign the Aigun and Beijing Treaties grabbing [otkhvatyvav] extensive lands to the north of the Heilongjiang and to the east of the Wusuli River from China. However, Zhenbao Island is indisputably Chinese territory, even in accordance with the inequitable Beijing Treaty. For many years our border guards patrolled the island while local residents frequently came to the island to fish and carry out agricultural work, and this never caused disputes.

However, at times, when the river was ice-bound during the 1967-69 period, the tranquility of the island was often disturbed by Soviet tanks and armored vehicles and the bloody Zhenbao Island incident occurred. Since then this recently-formed obscure little island has become the center of universal attention.

We inspected the barracks, blockhouses and other engineering construction of our border guards on the island. The smoke of the Zhenbao Island battle has long cleared but the evidence of past battles remains. A huge elm tree with bare branches and leaves stands on a height at the island's east end. It was a witness to the Zhenbao Island battle. A huge scar on the trunk caused by shell splinters is the only reminder of the past. Birds have returned because for many years the shots of rifles and guns have not been heard and they have made their nests in the branches of the big elm.

In the Suifenhe region we decided to visit an outpost on one of the heights. Here our servicemen are patrolling the state border. With pick and shovel while off duty they cleared an area several hundred square meters on a rocky hill, built a road, cut steps and built a basketball court. Now pine trees and poplars planted by our servicemen sign around the outpost and sweet peas, bindweed and other flowers have been planted in flower boxes around the barracks. The bare hill has now been planted and looks beautiful at all times of the year.

From the outpost we went to the border meeting site located near Suifenhe city. I asked some of the representatives of the Chinese side who work here to describe their impressions accumulated over many years of border duty.

We learned that during the 50's a friendly atmosphere reigned in this region. When Chinese peasants celebrated the harvest with songs and dances, Soviet soldiers accompanied them on accordions. The atmosphere became tense following the deterioration of relations between the two countries. But in the past 6 months the atmosphere on the border has become more tranquil than before. Soviet troop maneuvers are not being held as often and minor conflicts on the border are being more easily solved through talks [legche razreshayutsya na peregovorakh melkiye konflikty na granitse].

Suifenhe station represents a center of border trade between the two countries. Even during the most tense period the railroad communications of the two countries continued to operate. In 1982, at the invitation of the Suifenhe station chief, the station-master of Grodekovo Station in the Soviet Union and a five-man delegation visited our country for celebrations of the national holiday. They toured the city and attended a soiree.

I asked: Does this signify a relaxation of tensions on the border? After pondering a little the commander replied: It appears that there are signs of relaxation [razryadki]; however, whether or not they are substantial will be shown by the future.

When I returned to Beijing from the border the news came out about the death of Brezhnev, general secretary of the CPSU Central Committee. What efforts the new Soviet leadership will apply towards improving Sino-Soviet relations will be shown by facts.

Twenty years ago I made an unforgettable journey. While visiting certain areas near the Heilongjiang I, as a correspondent, heard and saw many touching episodes of friendship between the Chinese and Soviet peoples. I especially wrote about them in the press. The relations between the two countries then deteriorated for well-known reasons, and this cut off exchanges between the populations on the two sides of the border rivers.

Consultations between China and the Soviet Union resumed recently. People are following the development of relations between the two countries with great attention. I am convinced that both the Chinese and Soviet peoples aspire to friendly relations and sincerely desire the development of our traditional friendship.



JAPAN'S NAKASONE DEPARTS FOR U.S. VISIT 17 JAN

OW171454 Beijing XINHUA in English 1417 GMT 17 Jan 83

[Text] Tokyo, January 17 (XINHUA) -- Japanese Prime Minister Yasuhiro Nakasone left here today for Washington to discuss with U.S. President Ronald Reagan disputes over trade, defense expenditure and major world developments. This is Nakasone's first trip to the United States as prime minister. He has pledged the diplomatic focus on his cabinet will be to repair relations with the United States. The two countries are experiencing trade and defense "friction."

The United States has accused Japan of protectionism against U.S. goods causing a trade imbalance in that country. In addition, the United States has urged Japan to raise military expenditure to share more in the U.S.-Japan defense system.

Nakasone admitted that friction and lack of coordination between Japan and the United States has become "the most difficult situation" Japan faces. Prior to departure, Nakasone told reporters he "will make clear what we can do and what we cannot" in the areas of defense and trade during his talks with U.S. leaders.

On world developments, the Japanese news agency, JIJI reported the leaders of the two countries will focus their talks on the Soviet Union.

PRC SPOKESMAN SCORES NAKASONE S. KOREA VISIT

OW150904 Tokyo KYODO in English 0826 GMT 15 Jan 83

[Text] Beijing Jan 15 KYODO -- A Chinese Foreign Ministry spokesman said in a statement Saturday that Prime Minister Yasuhiro Nakasone's visit to South Korea earlier this week had an adverse effect on the stability and peaceful unification of Korea.

The Chinese official news agency XINHUA and the party newspaper PEOPLE'S DAILY earlier reported criticisms raised both in Japan and North Korea against Nakasone's visit made on Tuesday and Wednesday for talks with South Korea President Chon Tu-hwan. But the statement by the Foreign Ministry spokesman was the first official Chinese reaction to the Japan-South Korea summit talks.

The statement said that Nakasone's visit to Seoul and the offering of a "sizable loan promise" to South Korea resulted in strengthening the power of Chon. "This is not good from an objective point of view for the stability of the Korean Peninsula and peaceful unification of Korea," it added.

## RENMIN RIBAO Reports Visit

HK141157 Beijing RENMIN RIBAO in Chinese 13 Jan 83 p 6

["Special Dispatch" by Chen Bowei [7115 3124 3304]: "Nakasone Concludes Visit to South Korea"]

[Text] Tokyo, 12 January -- Prime Minister Nakasone of Japan returned to Tokyo this evening after his 2-day visit to South Korea.

A "joint statement" was issued in Seoul today at the end of two rounds of talks between Nakasone and Chon Tu-hwan. Japan has agreed to grant a \$4 billion loan to South Korea. In the "joint statement", the two sides declared that they "recognized the presence of tension on the Korean Peninsula, " and "the indispensability of safeguarding peace and stability of the Korean Peninsula to peace and stability in East Asia including Japan, and claimed "the development of new, good-neighborly relations" between them.

It was reported that the two sides had repeatedly stressed the "historical significance" of the visit. Newspapers and television stations in South Korea also reported that the two sides had reached unanimity on the issue of "cooperation to ensure security," but the Japanese side denied this.

It was the first official visit of a Japanese prime minister to South Korea to hold "a summit meeting" since the war. It was learned that this visit was decided abruptly "like lightning" a few days ago.

Japan signed a "treaty on basic relations between Japan and Korea" with the South Korean authorities in 1965 and established diplomatic relations with South Korea, but it has not recognized the DPRK up to now. Since then, Japan has consistently rendered political and economic support to South Korea. In August 1981, the Chon Tu-hwan regime asked for a 6 billion dollar loan from Japan and alleged that such economic aid was closely related to the security between the two sides. However, Japan disagreed to such a big loan and also disliked the fact that economic aid and the issue of security were being lumped together. The problem was not solved through repeated negotiations until the eve of Prime Minister Nakasone's visit.

The prime minister's visit has aroused unease and objection among Japan's opposition parties and public circles. The general secretary of the Japanese Socialist Party noted that Nakasone's visit to South Korea had frozen the division of the Korean Peninsula and aggravated the antagonism between the two parties concerned."

NODONG SINMUN Cited

OW152029 Beijing XINHUA in English 1627 GMT 15 Jan 83

[Text] Pyongyang, January 15 (XINHUA) -- The South Korean Revolutionary Party for Reunification has strongly denounced Japanese Prime Minister Yasuhiro Nakasone's visit to Seoul, the Korean newspaper NODONG SINMUN reported today.

Nakasone's visit was against the wish of the South Koreans for self-determination, independence, democracy and peaceful reunification of the fatherland and the international voices for self-determination and peace, said the party's spokesman in a statement on January 12.

The spokesman described the "joint statement" issued at the end of Nakasone's visit as a brainchild of the U.S. imperialists and a criminal document indicating Japan's intention to assume the leading part in rounding off the U.S.-Japan-South Korea triangular military alliance system allegedly for contributing to "peace" and "security" on the Korean Peninsula.

Japan actively assisted the Chon Tu-hwan clique in its war preparations for northward invasion by providing it with 4,000 million dollars in military aid in an attempt to legalize the establishment of Japan's political and military control over South Korea, the spokesman said.

The spokesman demanded that Japan give up military tie-up with the South Korean puppet regime stop all "aid" to South Korea, renounce its designs for re-invasion of Korea and discontinue interference in Korea's internal affairs.

KCNA Statement Noted

OW132345 Beijing XINHUA in English 1903 GMT 13 Jan 83

[Text] Pyongyang, January 13 (XINHUA) -- The KOREAN CENTRAL NEWS AGENCY (KCNA) issued an authorized statement today condemning Japanese Prime Minister Yasuhiro Nakasone's visit to South Korea.

The statement said known facts alone "are enough to tell that Nakasone's visit to South Korea is one of aggression and war preparations for propping up the South Korean puppets in the grip of a political and economic crisis, tightening up the military ties with them, instigating them to stand against our republic and laying a foothold for the Japanese militarist forces to stage a full-scale comeback to South Korea."

On Japan's promise to give a loan of 4,000 million U.S. dollars to South Korea, the statement said "they put the label of 'economic aid' on it to delude public opinion."

The statement said Japan cannot deny that it is virtually a military "aid." "When they receive money from Japan, the South Korean puppets will step up war preparations with greater frenzy and increase their military spending," the statement said, calling it a "vicious means for Japan" to subjugate and dominate the South Korean economy.

On Japan's support for South Korea's "unification proposal," the statement said it revealed Nakasone's true color as a "zealous accomplice of the United States in its 'two Koreas' plot to perpetuate the division of Korea."

"All these facts prove that Nakasone's South Korean visit is directly linked with the Asian strategy of U.S. imperialism and its ultimate purpose is to accelerate the completion of the U.S.-Japan-South Korea triangular military alliance system which the United States has long projected by tightening up in real earnest the ties between the Japanese militarist forces and the South Korean military fascist clique," the statement said.

The statement called on the peace-loving people in the world to attach due attention to this new serious situation.

#### JAPAN WILL EXPORT MILITARY TECHNOLOGY TO U.S.

OW142044 Beijing XINHUA in English 1608 GMT 14 Jan 83

[Text] Tokyo, January 14 (XINHUA) -- The Japanese Government today decided to provide the United States with its advanced military technology unconditionally upon the request of the U.S. Government. The decision, made at a cabinet meeting, was announced by Chief Cabinet Secretary Masaharu Gotoda.

Gotoda explained in his statement that Japan has been benefiting from various kinds of cooperation extended by the United States, including transfer of U.S. technology to Japan. He said in view of the recent advance of technology of Japan, "it has become extremely important for Japan to reciprocate in the exchange of defense-related technology in order to ensure the effective operation of the Japan-U.S. security arrangements"

The transfer decision represented a major modification of Japan's long-maintained principle on the exports of arms and related technology. Japan was a major supplier of light arms to the United States during the 1950-1953 Korean war, during the 1950s, it sold some ammunition to Southeast Asian nations. In 1967, Japan adopted "three principles" banning arms exports to nations excluded from arms sales by United Nations resolutions and countries involved in "international conflicts." Since 1976 Japan has virtually banned all exports of arms and arms components.

The government decision to provide U.S. with advanced military technology has met with strong resistance from the opposition parties and the public opinion, except the democratic socialist party which is sympathetic with the government.

The leading opposition Japan Socialist Party said the decision is "the most reckless" act in postwar politics. Secretary General Tsuyoshi Hirabayashi said his party will counter the government decision with an "unusual resolution" and indicated it might table a nonconfidence motion against Prime Minister Yasuhiro Nakasone's cabinet during the Diet session. However, the Japanese Government decision is welcomed by the U.S. Government.

U.S. Defense Secretary Caspar Weinberger told Japanese Ambassador Yoshio Okawara he appreciated the Japanese decision. He said the exchange of military technology has become a big issue between the two countries and the United States attaches great importance to it. He said the U.S. Government highly appreciated the Japanese decision since it has been made when Japan is in a difficult situation at home.

The Japanese decision is also welcomed in Japanese financial circles.

DPRK CONDOLENCES ON DEATH OF YANG YONG

Kim Il-song Message

OW131632 Beijing XINHUA in English 1600 GMT 13 Jan 83

[Text] Beijing, January 13 (XINHUA) -- Korean leader Kim Il-song has sent a message of condolence to Chinese leaders Hu Yaobang and Deng Xiaoping on the death of Yang Yong who was commander of the former Chinese People's Volunteers in the Korean war against U.S. aggression in the early 1950's.

The message dated January 8 reads:

Hearing the sad news that Comrade Yang Yong, member of the Central Committee of the Communist Party of China and of the Secretariat of the Central Committee, member of the Standing Committee of the Fifth National People's Congress, second secretary of the party committee of the Headquarters of the General Staff of the Chinese People's Liberation Army and deputy chief of the General Staff of the PLA, died of illness to our sorrow, I express deep condolences in the name of the Central Committee of the Workers' Party of Korea, the Government of the Democratic People's Republic of Korea and the Korean people and in my own name to you and, through you, to the Central Committee of the Communist Party of China, the Government of the People's Republic of China, the Chinese people and the bereaved family.

Comrade Yang Yong was a faithful communist fighter of the Communist Party of China who joined the people's revolution in China in his early age and rendered a selfless service at responsible posts of the party and the army. He was commander of the former Chinese People's Volunteers and a fine internationalist soldier who fought shoulder to shoulder with the Korean people against U.S. imperialism on the Korean front.

The Korean people deeply grieve over the loss of Comrade Yang Yong, a communist fighter and comrade-in-arms.

Though Comrade Yang Yong passed away, the exploits performed by him for the Chinese revolution and Korea-China friendship will be cherished long in the hearts of the Chinese and Korean peoples.

DPRK Military Leaders

OW132313 Beijing XINHUA in English 1840 GMT 13 Jan 83

[Text] Beijing, January 13 (XINHUA) -- General O Chin-u, minister of People's Armed Forces of the Democratic People's Republic of Korea (DPRK), and O Kuk-yol, chief of the General Staff of the Korean People's Army, have sent messages to their Chinese counterparts to express their condolences on the death of Yang Yong.

The message from O Chin-u to Zhang Aiping, minister of national defence of China, says: "Upon hearing the very sad news of the death of Comrade Yang Yong, commander of the former Chinese People's Volunteers and deputy chief of the General Staff of the Chinese People's Liberation Army, I express my deep condolences to you and through you to Comrade Yang Yong's family."

"Though Comrade Yang Yong, a fine son of the Chinese people, a close comrade-in-arms of the Korean people and an admirable internationalist soldier, has passed away, the noble merits performed by him for the Chinese revolution and the unbreakable great friendship between the peoples and armies of Korea and China will remain forever in the memory of our people and the soldiers of our people's army," the message concludes.

O Kuk-yol's message to Yang Dezhi, chief of the General Staff of the Chinese People's Liberation Army says that although Yang Yong is dead, "the noble contributions made by him to the Chinese revolution and the great friendship between the two countries will remain forever."

XINHUA VIEWS INDIA'S 'ACTIVE' 1982 DIPLOMACY

OW151400 Beijing XINHUA in English 1207 GMT 15 Jan 83

["Roundup; India Active in Diplomacy in 1982" -- XINHUA headline]

[Text] New Dehli, January 15 (XINHUA) -- India's active diplomacy in 1982 has given the impression that it is in quest of the following objectives: To improve relations with the United States without jeopardizing the established relations with the Soviet Union; to enhance exchanges with Western Europe, Japan, and other developed countries; and to hold firmly the banner of non-alignment in a bid to enhance its position in the Third World.

India's longstanding diplomatic pattern to maintain a balance among the big powers with relatively closer relations with the Soviet Union seems not to have undergone any fundamental change. However, some change did take place. On the one hand, India has felt the threat brought about by the approach to the subcontinent of a superpower since the Soviet military invasion of Afghanistan. On the other hand, too much inclination to the Soviet Union would be detrimental to India's non-aligned image. Hence, India hopes to have more room for manoeuvre in the international arena. But this is to be achieved by improving relations with the United States while maintaining and not weakening Indian-Soviet relations.

It is with this aim in mind that Mrs Indira Gandhi visited the United States last July. This should be considered as a new starting point in the relations between the two countries, though any concrete results of the visit are yet to be seen.

Mrs Gandhi's visit to the United States is followed by her visit to the Soviet Union one and a half months later. Both sides reiterated their "friendship which had withstood the test of time." During the visit, the Soviet side promised a number of new items of aid to India in such industries as steel, aluminum and petroleum. The Soviet Union also expressed willingness to help build a one-million-kilowatt atomic power station. The two sides evaded differences in their joint communique, and did not specifically touch on the Afghanistan problem. When she was in Moscow again to attend the funeral service of Leonid Brezhnev, Indira Gandhi was able to get a pledge from the new Soviet leadership that they would continue to develop Indian-Soviet relations.

India's efforts to expand relations with Western Europe and Japan are obviously aimed at seeking economic, technical or even military assistance so that it would not have to rely too heavily on a certain superpower.

The year 1982 witnessed an outstanding development in the relations between India and France. The two countries signed an agreement in October on the sale of 40 French Mirage-2000 war planes. Recently, France has agreed to sell enriched uranium to India. Close ties between the two countries are also maintained in the fields of trade, science, technology and culture and in international activities.

Although much differences on international issues exist between India and Britain, Mrs Indira Gandhi has maintained frequent contacts with Mrs Margaret Thatcher. After Mrs Gandhi's visit to Britain, British aid to India has been increased from the existing 72 million pounds to 140 million pounds annually. Japan also promised 140 million dollars in aid to India following the Japanese foreign minister's visit to India.



Relations between India and its neighbors continued to relax last year. Changes in Southeast Asia have made India feel that stability is in the interest of all the nations in the region. With stability in the region, India could keep its position. The Pakistani proposal for a no-war pact and the Indian proposal for a treaty of peace and friendship between the two countries reflect their desire for peaceful coexistence to some extent. India and Bangladesh reached an interim agreement on the sharing of the Ganges water. India and Nepal agreed on border post survey and founded a joint commission for industry. India granted an aid of 100,000 tons of wheat to Bangladesh and 10,000 tons of rice as loan in kind to Nepal. The third meeting of the foreign secretaries of the seven South Asian countries in Pakistan last August agreed to hold a ministerial meeting in 1983 for further discussion on strengthening cooperation among the south Asian nations.

India has always tried to create for itself an image of playing an important and even a leading role in the Third World. Last February it sponsored the "New Delhi Consultations" to discuss South-South cooperation and North-South dialogue. The Ninth Asian Games in New Delhi last November was not only a sports event, but also an attempt to create a new image for India.

After the death of Josip Broz Tito, Mrs Indira Gandhi seemed eager to shoulder responsibility in the Non-alignment Movement. Once Iraq expressed that it could not serve as the venue for the seventh non-alignment summit, India immediately agreed to play host for the summit and has been busy preparing for its convention in early March.

Relations between China and India were further improved last year. Mutual visits and cultural and economic exchanges between the two countries have increased. Though the outstanding boundary question brought some twists and turns in the improvement of Sino-Indian relations, both countries share the wish to improve relations and carry out exchanges and cooperation on the basis of equality and mutual benefit while seeking ways for a solution to the boundary question.

Officials of the two countries will continue talks on the solution to the border question and further improvement of their relations.

#### INDIA'S FAILURE TO INVITE SIHANOUK 'REGRETTABLE'

#K180252 Beijing CHINA DAILY in English 18 Jan 83 p 4

["Opinion" column by CHINA DAILY commentator: "Why Can't Prince Norodom Sihanouk Be Invited?"]

[Text] Despite India's failure to seek the support of the ASEAN and other non-aligned nations for its decision not to invite Prince Norodom Sihanouk to the forthcoming seventh non-aligned summit, there is little sign of it reversing its decision.

This is as regrettable as it is incomprehensible.

Not being a member of the Non-aligned Movement herself, China is in no position to voice assent or dissent. But as a warm and consistent supporter of the principles of non-alignment, she is not a disinterested bystander. An old Chinese proverb says: "He who stands aside to look on the scene is sober."

New Delhi's reported stand is that since the Kampuchean seat was vacant at the last non-aligned summit held in Havana in 1979, it should remain so this time.

But the Havana summit was universally regarded as a fiasco. It nearly led to a weakening, instead of a strengthening, of the unity of the non-aligned nations. The decision to leave the Kampuchean seat vacant was unfair.

The tripartite coalition government headed by Prince Sihanouk has gained the recognition of the United Nations by an overwhelming majority of votes, and Sihanouk as head of the member state of Democratic Kampuchea has addressed the current General Assembly.

Thailand, which like China is not a member of the 97-nation Non-aligned Movement, has also voiced deep regret that India has not recognized that the present situation in Kampuchea has been brought about by Vietnamese aggression. Its Foreign Ministry spokesman, Mr Jetn Sucharitkul, said that India's rejection came "despite the fact that Cambodia has a coalition government with Prince Sihanouk as president which is recognized by the majority of United Nations member countries."

It is an encouraging sign that a recent meeting of senior Foreign Ministry officials from the three non-aligned nations of the ASEAN group -- Indonesia, Malaysia, and Singapore -- demanded that Prince Sihanouk one of the few surviving founders of the Non-aligned Movement, be invited to address the seventh summit.

However, India's secretary-general designate has said, "We are not the chairman, and even if we were chairman we could not decide on our own. We will go entirely by the consensus of the movement."

The majority of the 97 nations of the Non-aligned Movement, as is generally the practice in dealing with difficult issues, have taken a public stand demanding that Democratic Kampuchea be restored to its legitimate seat and Prince Sihanouk be invited. It is certainly wise that the Non-alignment Movement be strengthened instead of weakened at this session. We hope that justice and solidarity will prevail and the legitimate seat of Democratic Kampuchea will no longer be vacant and Prince Sihanouk will be present at the session.

It would indeed be ironic if the country founded by Jawaharlal Nehru, the great statesman who first expounded the principles of non-alignment, should back down from the basic tenet of non-alignment that it "must first of all find expression in reinforced solidarity and mutual support whenever a non-aligned country is threatened or exposed to foreign pressure."



ZHAO ZIYANG CONCLUDES 11-NATION AFRICAN TOUR

Lays Wreath at Mausoleum

OW171144 Beijing XINHUA in English 1113 GMT 17 Jan 83

[Text] Nairobi, January 17 (XINHUA) -- Chinese Premier Zhao Ziyang, accompanied by Kenyan Vice-President Mwai Kibaki, laid a wreath on the mausoleum of the late Kenyan President Jomo Kenyatta in the center of Nairobi this morning. After laying the wreath, the Chinese premier observed one minute of silence.

Jomo Kenyatta, who died in 1978, was the founder of the republic and is known as "the father of Kenyan nationalism."

Meets With Nairobi Mayor

OW171336 Beijing XINHUA in English 1313 GMT 17 Jan 83

[Text] Nairobi, January 17 (XINHUA) -- Chinese Premier Zhao Ziyang today met Councillor Nathan Kahara, mayor of Nairobi. Zhao, accompanied by Kenyan Vice President Mwai Kibaki, was greeted by Kahara at the City Hall where the national flags of China and Kenya were flown. Kenyan traditional songs and dances were performed in the front of the City Hall.

The mayor introduced Zhao and his entourage to Nairobi's councillors and took his Chinese guests to his home where he and Zhao talked.

The Chinese premier told the mayor he was grateful for the welcome and cordial reception accorded to him and his colleagues by the Kenyan Government and Nairobi citizens. He said all this fully symbolized the profound sentiments of the Kenyan people for the Chinese peoples.

The Mayor said the Kenyan people and Nairobi citizens gave an extraordinary welcome to the Chinese leader because of the sincere friendship of the African people for the Chinese people. He praised China for supporting and assisting African countries in their development and championing the cause of human dignity. He said China's experiences were an encouragement to other nations.

Kahara and Zhao then exchanged gifts and the Chinese premier signed the visitor's book before touring coffee and tea plantations in Kiambu-Limuru, about 20 kilometers north of Nairobi.

Visits Coffee Farm

OW171542 Beijing XINHUA in English 1449 GMT 17 Jan 83

[Text] Nairobi, January 17 (XINHUA) -- Chinese Premier Zhao Ziyang, accompanied by Kenya Vice-President Mwai Kibaki, this morning visited a coffee farm and the Mabroukie tea estate and factory in Kiambu district, 20 kilometres from the capital of Nairobi.

Coffee and tea are two major cash crops in Kenya and its main foreign exchange earners apart from tourism. Since independence in 1963, Kenya's coffee and tea production have increased rapidly, now reaching about 100,000 tons a year respectively. But in recent years, they have suffered from declining international market prices and coffee production is limited by the export quota set by the International Coffee Organization.

With great interest, Premier Zhao asked a technician at the coffee farm a number of questions about their production. The technician replied that a carefully cultivated tree can produce as much as 20 to 25 kilogrammes of green coffee.

At the 850-acre tea estate, Premier Zhao had a good chat with the manager and tea pluckers in the fields, and asked how they ensured good quality in plucking and a reasonable pay in accordance with their work. As China is also a major tea producer in the world, Premier Zhao told Vice President Kibaki how the Chinese tea farms work.

Then the Chinese premier toured the tea factory nearby. The workshops were permeated in a kind of fragrance of tea leaves. Zhao and his entourage toured a tea processing line and listened carefully to a brief account given by the technicians there. Premier Zhao highly praised the quality of Kenya tea and the technique of their tea processing.

#### Visits Great Rift Valley

OW171502 Beijing XINHUA in English 1443 GMT 17 Jan 83

[Text] Nairobi, January 17 (XINHUA) -- Chinese Premier Zhao Ziyang, accompanied by Kenyan Vice President Mwai Kibaki, toured the famous Great Rift Valley of Africa here this morning.

The Great Rift Valley is a 6,500-kilometre fissure in the earth's crust, stretching from Lebanon to Mozambique. It was created by the movement of the crust some 30 million years ago. The most magnificent sections lie in east Africa, Kenya in particular.

Premier Zhao's motorcade drove along the rift valley to a viewing point, about 65 kilometres northwest of the Kenyan capital of Nairobi. Zhao and Kibaki stepped down from the presidential car and enjoyed the picturesque scenery of the extinct volcano "Longonot", which is clearly in sight over the opposite cliff bank of the valley some 50 kilometres away.

Premier Zhao and his entourage including State Councillor Gu Mu and Foreign Minister Wu Xueqian also toured a pyrethrum field in front of the viewing point. The pyrethrum originated from China. A kind of very effective natural insecticide can be extracted from the yellow pistil of this daisy-like white flower. It was introduced into Kenya through Europe in 1928. As the topography and climate here is suitable for the growth of pyrethrum, Kenya's production of pyrethrum increased rapidly, and now Kenya produces nearly 80 per cent of the world's pyrethrum output. This flower from China vividly demonstrated the historical link of friendship between China and Kenya.

Premier Zhao, Vice President Kibaki, Gu Mu and Wu Xueqian carefully examined the flower and had a lively chat. With great interest, they walked into the pyrethrum fields, each picking a flower in hand, and had their photos taken together.

On their way back, they stopped at another viewing point, where they took a bird's eye view of the vast fertile crop fields down the rift valley.

#### Confers With Kenya President

OW172010 Beijing XINHUA in English 1842 GMT 17 Jan 83

[Text] Nairobi, January 17 (XINHUA) -- The visiting Chinese Premier Zhao Ziyang held a second round of talks with Kenyan President Daniel arap Moi at the State House here this afternoon.

According to authoritative sources, President Moi said that the Chinese premier's visit to Kenya will surely promote the continuous development of good relations between the two countries.

He expressed complete endorsement of the agreement between the two sides on the implementation of the Kenyan national sports complex. He appreciated China's offer of assistance to Kenya in this sports complex at a time of difficulties for Kenya.

President Moi reaffirmed his wishes to continue developing the good relations between the two countries.

Premier Zhao said that although the time is brief he is quite satisfied with his visit to Kenya. The visit and the talks are very successful and will accelerate the continued development of the good relations between China and Kenya, he said. [Beijing XINHUA Domestic Service in Chinese at 0136 GMT on 18 January carries a report on these talks which here says: ...development of the friendly relations between China and Kenya...]

Premier Zhao expressed the same satisfaction with the result of the talks on bilateral relations as President Moi did, and promised to do his best to see to it that the agreement will be implemented as soon as possible.

Premier Zhao said that the purpose of his African tour -- to promote understanding, friendship, cooperation and to learn from African countries -- has been achieved satisfactorily, and he is very pleased to see the rural development of Kenya as well as the building-up of the Nairobi city, and is deeply impressed with the world-famous Great Rift Valley. [Beijing XINHUA Domestic Service in Chinese at 0136 GMT on 18 January here says: ...to learn from the fraternal African countries...]

The Chinese premier said he hopes that President Moi might visit China again at the time convenient to him so that they can meet again for the third time in Beijing.

Both the president and the premier hoped that the economic and trade relations between the two countries will be further strengthened.

#### Leaves Kenya

OW172002 Beijing XINHUA in English 1831 GMT 17 Jan 83

[Text] Nairobi, January 17 (XINHUA) -- Chinese Premier Zhao Ziyang and his entourage left here for home by special plane at 5:45 (local time) this afternoon after concluding a three-day successful visit to Kenya, thus winding up his eleven-nation African tour which started on December 20 last year.

A grand send-off ceremony was held at the airport. Kenyan President Daniel Arap Moi, Vice-President Mwai Kibaki, cabinet ministers, Mayor of Nairobi Nathan Kahara, Provincial Commissioner F.C.K. Waiganjo and Chief of General Staff General J.K. Mulinge were present to bid farewell to the Chinese premier.

Chinese Ambassador Yang Keming and diplomatic envoys of various countries to Kenya were also present at the airport. After the military band played the national anthems of China and Kenya, Premier Zhao reviewed the guard of honor. Hundreds of Kenyan people performed traditional dances. Premier Zhao repeatedly waved and clapped to them to express thanks, and then, Premier Zhao, State Councillor Gu Mu, Foreign Minister Wu Xueqian and other members of the premier's entourage said good-bye to President Moi, Vice President Kibaki and all other Kenyan hosts and diplomatic envoys. Before departure, Premier Zhao and President Moi warmly embraced each other.

Before his departure for home, Premier Zhao held the second round of talks with President Moi today.

A written statement by Premier Zhao Ziyang was distributed to the press at the airport, in which he said his visit to Kenya "is successful".

Zhao said "We are deeply impressed by the efforts the Kenyan people are making to build a bright future for themselves."

The Chinese premier said his talks with Kenyan President Moi "are fruitful." "Both sides hold identical or similar views on many international issues and hope to further strengthen and develop Sino-Kenyan friendly relations and cooperation on the existing basis and have achieved positive results."

"Both sides discussed the construction of the Nairobi sports complex and exchanged views on ways to increase bilateral trade," he added.

"I will convey the profound friendly sentiments of the Kenyan and other African peoples to the one billion Chinese people," Premier Zhao concluded.

#### Makes Departure Statement

OW180516 Beijing XINHUA Domestic Service in Chinese 1718 GMT 17 Jan 83

[Excerpts] Nairobi, 17 Jan (XINHUA) -- Zhao Ziyang, premier of the State Council of the People's Republic of China, and his entourage left here for home by special plane at 5:45 (local time) this afternoon after concluding a 3-day official friendly visit to Kenya.

Before departing from Nairobi airport, Premier Zhao issued a written statement. He said: "Although our visit to Kenya was brief, we are deeply impressed, and the results are satisfactory."

Zhao Ziyang pointed out: "The talks I have had with President Moi were fruitful. Both sides hold identical or similar views on many international issues and hope to further strengthen and develop Sino-Kenyan friendly relations and cooperation on the existing basis. The two sides discussed the construction of the Nairobi sports complex, starting from its practical benefits, and exchanged views and achieved positive results on ways to further increase bilateral trade."

He added: "Through this visit I am more convinced that the fields of Sino-Kenyan cooperation will become increasingly broad and that Sino-Kenyan friendship will constantly strengthen and develop."

Zhao Ziyang said in conclusion: "Kenya is the last leg of my visit to Africa. Here I have successfully concluded my visit to 11 Africa countries, and I am leaving for home taking with me the friendship of the African people. I want to take this opportunity to say good-bye to the warm and friendly people of Kenya and the other African countries. I will convey the profound friendly sentiments of the Kenyan and other African peoples to the one billion Chinese people."

COMMENTATOR STRESSES ROLE OF IMPORTED TECHNOLOGY

HK171005 Beijing RENMIN RIBAO in Chinese 14 Jan 83 p 2

[Commentator's article: "Boldly Import Technology in Transforming Small and Medium-Sized Enterprises"]

[Text] Some areas and departments have in recent years imported technology to transform medium-sized and small enterprises. Relatively satisfactory economic results have marked a great number of projects. The Tianjin hermetic mechanical products factory has used imported technology to improve technological processes and streamline equipment. In a relatively short period of time it produced for 831 factories of the country hermetic products which, in the past, were chiefly imported. This means an annual saving of more than \$2 million in foreign exchange for the state. Like the Tianjin hermetic products factory, many medium-sized and small factories spent only 2 or 3 years closing technical gaps of 20 or 30 years, or even longer, and allowing us to raise the technical level of a lot of technical equipment by one or two generations.

Despite a good start, this work, generally speaking, has developed relatively slowly. A breakthrough has yet to be made. At present, chiefly Beijing, Tianjin, Shanghai, Liaoning, Jiangsu and other coastal cities and areas have imported a relatively large number of technical projects. Other cities and areas have introduced a relatively small number of them. There have been more equipment imports but fewer "software" technical imports. There have been more projects aimed at increasing production capacity and fewer ones designed to improve quality and increase the variety of products.

Energetically importing technology to transform medium-sized and small enterprises is one of the important ways to stimulate our technical progress. The whole country has several hundred thousand medium-sized and small enterprises committed to the production of various products to meet social needs. The technical equipment of most of the medium-sized and small enterprises is at a level of the 1950's. By relying on such backward technical equipment we can hardly satisfy the existing needs of production and construction and the people's everyday needs and realize the great goal in socialist construction. This is a contradiction. But by importing technology to transform medium-sized and small enterprises we can spend less and achieve quick and satisfactory results. This enables us to gain time and avoid making a detour, as others did. This also helps to raise our production technical level and to accelerate the pace of our construction.

Some people worry that the import of technology may weaken our ability to rely on our own resources and hamper the development of our industry. In his report at the Fourth Session of the Fifth NPC, Comrade Zhao Zhiyang pointed out: "A fundamental feature of social mass production is to enlarge exchanges and also to develop from domestic exchanges to international exchanges. We must establish ties with the international market, expand foreign trade, import advanced technology, make use of foreign capital, and develop various forms of international economic and technical cooperation. All these are our own strong points. Through international exchanges on the basis of equality and mutual benefit, we must make up our own shortcomings. This will not hamper and will only strengthen our ability to rely upon our own resources." The introduction of foreign technology is unlike the import of whole sets of large-sized equipment. We should relax our controls a bit. Together with other relevant departments, the State Economic Commission has put forth the plan calling for the import of 3,000 advanced technological projects in the next 3 years. This is to strengthen the technical transformation of existing enterprises, and medium-sized and small ones in particular, and ensure its timely realization. If we can gradually apply to our medium-sized and small enterprises advanced techniques, which were used by developed countries in the 1970's or in the early 1980's and which are suited for our country, then we can take a big step forward in raising our technical production level.



Some people also worry that the import of technology on a large scale would cause duplication. Of course, such a situation should be avoided by every means. We cannot waste our limited financial resources. But it should also be noted that given so many medium-sized and small enterprises in the country, it is unrealistic to call for complete freedom from duplication in importing technology. Concerning those products which our country at present still cannot turn out, or which it can but without being able to ensure quality and meet delivery deadlines, and which can be produced with marked economic results by drawing on imported technology, even duplication is not so terrible. The importation of advanced techniques must be based on our national condition. We must not blindly pursue the advanced. We should put the emphasis on introducing "software." Enterprises that import technology should also be selected. Concerning those problems which can be solved by drawing on science and technology and productive forces at home, we must first organize domestic forces to seek a solution. We should not do things in a roundabout way.

We must direct great efforts toward solving the problem of assimilation. This is a weak link in this work. We must strengthen leadership, make overall arrangements, seek energetic cooperation in all fields, and change the situation marked by the lack of communication between those units importing technology, scientific and research units, and units producing equipment. We must do a good job of assimilation, so that fullest play can be given to imported technology in our production and construction.

#### CORPORATION PLANS TO ABSORB FOREIGN FUNDS

HK180308 Beijing CHINA DAILY in English 18 Jan 83 p 2

[By staff reporter Huo Zhenyi]

[Text] The China International Trust and Investment Corporation (CITIC) is working out plans to absorb foreign funds and introduce advanced technology in the next three years. Jing Shuping, board director and vice-president, said.

The corporation will also begin to lay out the 7th Five-Year Plan, which will run between 1986 and 1990, and which is essential for China's modernization.

"The biggest project for us is the Yizheng chemical fibre plant in Jiangsu Province," Jing said. The first phase of its construction will provide an annual production capacity of 180,000 tons, including 120,000 tons of fibre and 60,000 tons of chips.

He said that things have just begun taking shape for CITIC. But two leasing companies under it have been quite successful in the past year: China Leasing Company Limited handled business worth \$15 million. And the Orient Leasing Company's transactions topped \$10 million.

Jing said that CITIC aims at using foreign funds to introduce in Chinese enterprises suitable advanced technology, equipment and scientific management.

He said that foreign funds can be absorbed in various forms -- direct foreign investment, joint ventures, processing materials supplied by foreign companies, co-operative production, compensation trade, and so on.

"The fundamental principle is equality and mutual benefit to both sides involved in the ventures, Jing Shuping said.

He said that some laws and regulations have been issued to ensure sound co-operation.

The director said that those who invest in animal husbandry and agriculture will be exempted from taxes in the first year of business, and will enjoy a 50 per cent reduction in taxes in the second and third year with approval of departments concerned.

He pointed out that China also offers preferential conditions to big investors in remote areas. They are allowed to remit some of their dividends abroad. If they keep their dividends in China, they can be reinvested, in which case income taxes can be remitted over a five-year period.

Jing said that joint ventures enjoy the right to hire or fire their staff. The Chinese departments of labour and personnel can help recruit workers. Incompetent employees in joint ventures may be fired after consulting with workers' unions.

Foreign investors can also import materials from overseas. "But the funds must be supplied by themselves," Jing said.

He noted that the board chairman in joint venture must be Chinese but the general-manager or president can be foreign partners.

In China, Jing said, it is illegal to buy or sell land. However, it can be rented at prices based on location and environment.

"Income taxes levied on joint ventures in China are a bit higher than in Hong Kong, but lower than in the developed countries," Jing said. The tax rate is usually 45 to 50 per cent in the developed countries while it is 33 per cent in China.

The director said that it is best not to fix any specific length for joint ventures. Foreign partners inevitably introduce up-to-date technology and equipment to make joint ventures profitable.

He believes that China's "open policy is permanent, not just a stop-gap measure," because it has been stipulated in the Constitution of the People's Republic of China.

China has been negotiating with Sweden and the U.S. Governments on an investment insurance agreement, he said.

He also announced that a tax treaty will be signed with the United States, Japan, West Germany, Switzerland and Canada, so as to avoid double taxation.

Jing said that the key capital projects in the next few years will be harbours, railways and power stations, which most likely will be built with government loans or financed by the World Bank.

He said, however, that China is short of funds for coalmining and oil exploitation. Development of energy resources needs "a lot more funds than China can offer." Jing said that such exploitation might become the main form of co-operation with foreign partners.

China is rich in nonferrous metals such as tungsten and tin. "Exploitation of these natural resources is a good opportunity for joint ventures," he said.

By the year 2000 China will have doubled its industrial energy output. To preserve energy, it is necessary to renovate old energy-consuming equipment.

Jing said the West German Volkswagen automobile, which uses only two thirds of the steel and 75 per cent of the fuel used by cars produced in Shanghai, sets a fine example in this regard. "This accents the necessity of upgrading."

He said, it is very important for Chinese enterprises to improve the quality of light industrial products and packaging so that China-made goods would be more competitive in the world market. "Foreign technology can be introduced," he emphasized.

In the past three years, CITIC has entered into ventures with some Chinese enterprises. "It will also create adequate conditions for foreign businessmen, industrialists and enterprisers to invest more in China," he said.

Jing said that in the next few years China will carry out more than 3,000 projects, "part of which will be undertaken by CITIC."

He also outlined the role CITIC might play in Chinese construction: to act as the matchmaker who identifies suitable partners for both Chinese and foreign sides; to raise foreign funds for and recommend advanced technology to Chinese enterprises; and, if possible, to be a co-investor in some projects.

For finances, CITIC will use various forms, including bonds, export credit and commercial loans. "Diversified investment currency should be pursued," Jing said. U.S. dollars, British pounds sterling, French francs, German marks and other currencies should be accepted.

"Last year, CITIC issued bonds based on the Japanese yen. This year it will issue more bonds. But in what currency has not been decided," the director said.

#### SHIJIE JINGJI DAOBAO URGES REFORMS IN COMMERCE

HK160032 Beijing CHINA DAILY in English 16 Jan 83 p 4

[Article by Chen Dahu in SHIJIE JINGJI DAOBAO]

[Text] Peasants who have prospered in recent years are finding it difficult to market their produce and to purchase manufactured goods. Light industry which has undergone economic readjustment still has products which are unmarketable and stock-piled.

These problems point to the necessity of reforming the management of state-owned commercial departments and of instituting more flexible policies.

State-owned commercial departments are major sectors of socialist market. They are supposed to handle major commodities and wholesale, while small commodities and retail sales can be relegated to the collective and private sectors.

In the countryside, state purchasing quotas for grain, cotton, oil-bearing crops and other major cash crops must be met. But it is necessary to allow trade in farm and sideline produce through rural fairs and urban free markets after purchasing quotas are fulfilled.

Commercial departments are also in a position to serve as sales agencies for factories which have surplus goods. By so doing, they promote production of those goods that sell well.



The prices of major commodities need to be stabilized. But in order to spur production and exchange, a floating price system should be instituted for some commodities, one that could be based on quality, regions, seasons and other factors. By negotiating purchases and sales, state-owned commercial departments can help regulate and balance market prices.

To expand the sales of manufactured goods, commercial departments can establish a system to allow consumers to buy goods on credit or on an installment plan.

Shops should have the right to reduce the prices of low quality, shop-worn or stock-piled goods to prevent further losses.

As an initial step in reforming management, it may be necessary further to develop collective and individual retail sales and the service trade. Retail sales and the service trade are labour intensive, and serve people directly. State-owned commercial departments have a duty to support collective and individual shops and guarantee them supply of their goods.

Overlapping administration in the wholesale sector hampers the circulation of funds as well as commodities. Unnecessary wholesale stations should be closed and a network suited to local conditions should be set up.

The economic responsibility system which has been practised elsewhere, should be instituted in more enterprises. The management of some smaller shops can be contracted out to collectives or individuals.

Rural commercial co-operatives flourished in the 1950s when they undertook the task of purchasing and selling for the state. They helped peasants market their produce, supplied equipment and materials as well as consumer goods and offered various services. Restoring this practice would improve their work. They can also cooperate with peasants in processing industries and service trades.

#### OVERSEAS CHINESE OFFICIAL OUTLINES MAJOR TASKS

HK170331 Beijing ZHONGGUO XINWEN SHE in Chinese 0747 GMT 16 Jan 83

["Peng Guanghan Talks About Overseas Chinese Affairs Departments' Major Tasks for the Future" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 16 Jan (ZHONGGUO XINWEN SHE) -- Peng Guanghan, deputy director of the Overseas Chinese Affairs Office of the State Council said: One of the main tasks of overseas Chinese affairs departments at all levels today is to return the private houses of overseas Chinese taken over during the "Cultural Revolution." He asked most of the cities and towns throughout the country to return all the houses of overseas Chinese taken over during the "Cultural Revolution" by the first half of this year and some of the cities and towns to complete the work of returning them by the first half of next year.

He disclosed that by the end of last September, more than 72 percent of the private houses of overseas Chinese taken over in 17 provinces, municipalities and autonomous regions throughout the country had been returned.

HUASHENG BAO [VOICE OF OVERSEAS CHINESE] today published the talk given by Peng Guanghan to its reporter. Peng Guanghan also said that the main tasks of overseas Chinese affairs departments in the future are:

Encourage the returned overseas Chinese and dependents of nationals living abroad to actively take part in the building of socialist material and spiritual civilization and play an active role in bringing about a fundamental turn for the better in party style and social manner.

Make a success of the work for returned overseas Chinese, dependents of nationals living abroad and intellectuals. Supervise and urge the departments concerned to really treat them equally without discrimination, boldly use them in work and show concern for their livelihood.

Continue to pay close attention to the work of readjusting overseas Chinese enterprises. Further make a success of the work of attracting foreign investments, and strive to run properly the joint ventures and cooperative enterprises already built and put into production.

Conscientiously raise the teaching quality of overseas Chinese supplementary schools as well as Chinese language and culture schools in Beijing, Guangzhou and Jimei so that they will gradually evolve their own style in running schools.

Make a success of reception work for overseas Chinese, Hong Kong and Macao compatriots, Taiwan compatriots and foreign nationality Chinese returning to visit relatives and for travel. Progressively improve the condition of such facilities as accommodation and communications, readjust the standard of charges, improve service attitude and raise service quality.

Actively foster a contingent of revolutionary, younger and better educated professional personnel for overseas Chinese affairs work who are enthusiastic in overseas Chinese affairs work, familiar with overseas Chinese conditions and understand the overseas Chinese affairs policy.

Promote the great union and unity of overseas Chinese abroad.

#### RENMIN RIBAO ON CRITICISM, SELF-CRITICISM

HK141454 Beijing RENMIN RIBAO in Chinese 12 Jan 83 p 3

[Article by He Jinnian [6320 2516 1628]: "Firmly Grasp the Weapon of Criticism and Self-Criticism -- Notes on Studying the New Party Constitution"]

[Text] Criticism and self-criticism is a sharp weapon for us to strengthen the party's ideological construction and enhance the party's fighting strength. The party constitution adopted by the 12th CPC National Congress stipulates that "in its internal political life, the party conducts criticism and self-criticism in a correct way, waging ideological struggles over matters of principle, upholding truth and rectifying mistakes." It also requires that all party members "earnestly practice criticism and self-criticism, be bold in exposing and correcting shortcomings and mistakes in work, backing good people and good deeds and fighting against bad people and bad deeds." This is what every party member should always bear in mind and earnestly practice.

Mastering and wielding the weapon of criticism and self-criticism is a fine tradition of our party. In the long course of revolution, our party has wielded this weapon. I remember that once in Yanan, the border region government set a task for the peasants of purchasing 200,000 dan of grain. According to the conditions at that time it was difficult for the peasants to fulfill this task. So, some peasants sharply criticized Chairman Mao. Why did the peasants dare to criticize Chairman Mao? Because our party had a good democratic work style. During the "Great Cultural Revolution," this good work style was damaged. Who dared to criticize Chairman Mao? If anyone did, he would soon become a counterrevolutionary! In Yanan, however, when Chairman Mao heard the criticism, he did not try to find out the counterrevolutionaries but, instead, accepted the criticisms and made a study within the party so as to find out a method to lighten the burden on the peasants. The CPC Central Committee put a call on "producing enough food and making enough clothes through self-reliance" and launched a mighty movement to promote production. Even now, we are still singing the song of Nanniwan. At that time, I was working in the Sanbian [0005 6708] area in Shaanxi Province. The broad masses of commanders and fighters in our army took an active part in the production movement. They tilled the land, dug licorice root and salt and tried every possible means to achieve self-sufficiency. A criticism from the masses could yet arouse the serious attention of the CPC Central Committee and Chairman Mao and play such an important role. This shows the great strength of the weapon of criticism and self-criticism when wielded in a correct way.

After the Yanan rectification movement, especially after the party's seventh national congress, the revolutionary situation developed swiftly. Soon after the victory in the war of resistance against Japan, our party led the people throughout the country to seize state power smoothly. Since then, the party's cause has been flourishing more and more. The weapon of criticism and self-criticism is one of the three "magic weapons" with which we have won great victory.

Beginning from the late 1950's, the intra-party democratic life became more and more abnormal. After the "Great Cultural Revolution," the party's tradition of criticism and self-criticism and many other good traditions were lost. The party's work style was damaged and our party suffered from great losses. Since the 3d Plenary Session of the 11th CPC Central Committee, the CPC Central Committee has made up its mind to bring order out of chaos, called on the whole party to restore and develop the party's good traditions and adopted many effective measures. The "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC" adopted by the 6th Plenary Session of the 11th CPC Central Committee corrected the "leftist" mistakes which were committed by Chairman Mao and our party in a period of time. It was an example of correctly wielding the weapon of criticism and self-criticism by our party in the new historical period. Without this resolution and the spirit of criticism, the 12th CPC National Congress could not have achieved successes and the new party constitution could not have been adopted.

In his report to the 12th PRC National Congress, Comrade Hu Yaobang pointed out that we must achieve three "fundamental improvements" in the coming 5 years. This is a very arduous task. The party's work style, in particular, cannot be fundamentally improved without conscientiously wielding the weapon of criticism and self-criticism. Our party is a party in power, but since the pernicious influence of the 10 years of internal disorder has not yet been completely eliminated and the corrosive influence of various exploiting class ideologies has somewhat increased in the new situation, unhealthy tendencies still exist within our party at present, such as bureaucratism, seeking privileges, profiting at the expense of the state and other people and so forth. In order to rectify these unhealthy tendencies and to achieve a fundamental improvement of the party's work style, we have to wield the sharp weapon of criticism and self-criticism.

Making criticism and self-criticism, one of the guiding principles for intra-party political life, will restrain those comrades who turn a deaf ear to criticism. Although some comrades have agreed in words to carry out criticism and self-criticism, when they are criticized by the masses, they usually do not take a correct attitude. Why do some people feel that it is easier to carry out self-criticism (it is really not easy for one to make conscientious self-criticism) than criticizing others and criticizing leading comrades, especially their direct leaders? The reason is that they are afraid of being retaliated against when the criticized do not accept criticism. This phenomenon has certainly something to do with the incorrect attitude of some comrades.

Although I joined the party more than 50 years ago, being a veteran fighter and party member, I must also constantly raise my consciousness of criticism and self-criticism so as to carry on and develop this good tradition of our party and set a good example for the masses in the cause of creating a new situation in all fields of socialist modernization. We can retire from our posts and work on the second line, but we must continue to be qualified party members and never retire ideologically. No matter whether we are working on the first line or on the second line, at our original posts or not, we must do our work well for the party. We must resolutely act in accordance with the requirements of the new party constitution. This is the best way to pass on our experience, give help and set a good example for new cadres.

#### COAL MINISTRY SETS EXAMPLE IN IDEOLOGICAL WORK

OW171433 Beijing XINHUA Domestic Service in Chinese 0111 GMT 12 Jan 83

[Excerpts] Beijing, 12 Jan (XINHUA) -- After the focus of the party's work is shifted to economic construction, how can a leading economic department persist in integrating political work with economic work and do a good job in ideological and political work? The experience of the Ministry of Coal Industry shows that, first of all, it is necessary to pay keen attention to ideological work among leading cadres at various levels. This experience has been praised by leading comrades in the central authorities.

Since 1979 the ministry has placed the emphasis of ideological and political work on cadres at various levels in the course of implementing the line, principles and policies formulated by the party since the convening of the 3d Plenary Session of its 11th CPC Central Committee. The ministry has especially done work in the following three aspects:

First, the spirit of cadres at various levels has been heightened and their enthusiasm and consciousness in implementing the party's principles and policies raised. After the party Central Committee put forward the policy of readjustment, restructuring, reorganization and upgrading of the national economy, many leading cadres in the coal industry department, primarily leading cadres of the ministry, had contradicting opinions. Some held that the production in coal mining was not seriously disproportionate and called for not only continued production in the course of the readjustment but also speeding up production. Others held that the disproportionate production in coal mining was more serious than during the period of the "Great Leap Forward" and called for stopping production in order to carry out readjustment. These two conflicting views slowed down readjustment in the mines. To unify thinking and understanding, the ministry, citing facts and past and present statistics, conducted in-depth discussion first among leading cadres of the ministry's party organization, and then, coal mines, mining bureaus and construction companies in all provinces and autonomous regions. The cadres finally realized that due to the decade of turmoil, the relationships between various sectors of the coal industry were imbalanced and needed readjustment in order to continue to increase production by large margins.

Thanks to the implementation of the policy, the readjustment was smoothly carried out in various fields. In 1982 the country's total coal output increased from 620 million dun 2 years ago to over 640 million dun, hitting an all-time record high.

Second, the earnest efforts to correct party style have also improved the style of all mines. The most significant thing in this aspect is that leading cadres at various levels have taken the initiative to send their children and relatives back to work in the pits. Miners who should have worked in the pits but who worked above-ground were long-standing problems facing coal mines in all localities. After conducting investigation and study, the ministry discovered that the problem had been caused by some leading cadres who abused their powers by arbitrarily changing the type of work for their children and relatives.

In September the ministry successively sent four open letters to leading cadres at various levels, urging them to set a good example in sending their children and relatives back to work in the pits within a definite time.

Third, the system of cadres participating in manual labor has been restored or established. In September of 1981 the ministry adopted the "Decision Concerning Leading Cadres at Various Levels Going To Work in the Pits for a Specified Period of Time," which stipulates that leading cadres at various levels from the minister down to team leaders of the basic units in all coal mines, except for the old, weak, sick and disabled, must participate in manual labor within their physical limits and go down to the pits regularly to conduct investigation and study in order to obtain information regarding production. In the first three quarters of 1982, the 5 ministers and vice ministers of the ministry spent 13 days on the average in the pits or participating in manual labor.

#### GUANGMING RIBAO ON SOCIALISM REPLACING CAPITALISM

HK171438 Beijing GUANGMING RIBAO in Chinese 27 Dec 82 p 3

[Article by the compilation and writing group of the scientific socialism teaching and research center of the CPC Central Committee Party School: "Replacement of Capitalism by Socialism Is the Inevitable Trend of World History"]

[Text] The replacement of a capitalist society by a socialist society is an objective law in social development. In the history of mankind, revolutions which have erupted in succession and which have brought about changes and replacements in the social formation are in effect struggles staged by new productive forces, at the stage of their initial demand for development, to break through the bondage of old production relations and open up a road for their own development.

The capitalist society is the highest form of society of the system of private ownership. Its fundamentally special feature is the socialization of production built on the basis of the private ownership system. The means of production evolve from being used solely by private individuals to becoming the means of production jointly used by many people. The production process evolves from being separately undertaken by private individuals to being undertaken by society with the cooperation of many people. The products likewise change from being the fruits of labor of the individual to being the fruits of labor of society as a whole. Socialized production requires the ownership and disposal of the means of production by society. It enforces the principle of unification of the organization and control of social production and enjoyment by all the constituents of the society of the fruits of socialized labor.



However, in a capitalist society, the means of production and the fruits of production are privately owned by a small number of capitalists. This contradiction between socialized production and private ownership under capitalism represents the fundamental contradiction in a capitalist society and from the beginning is of a mutually opposing nature.

In economic life, the fundamental contradiction in a capitalist society is seen in the contradiction between the organized nature of production in individual enterprises and the anarchic state of social production. Under capitalism the private ownership system places the various and mutually related production departments and enterprises of an entire society in a state of competition and anarchy. It violates the principle of proportionate development in social production and breaks the conditions for realization of the gross social product. In this connection, since capitalist production progresses under distribution relationships of an opposing nature, the continuous expansion and development of production has resulted, on the one hand, in the growth of capital and the gradual concentration of the wealth of society in the hands of a few large capitalists, and, on the other hand, in the bankruptcy of the small and medium-level producers, in the intensification of exploitation of the workers and in a large number of workers being continuously forced out of employment due to accelerated mechanization. This inevitably intensifies the contradiction between production and consumption and brings about economic crises in the form of excessive and surplus production. Economic crises under capitalism demonstrate that concentration of the means of production and the socialization of labor have reached the stage of their no longer being able to be contained within the outer crust of capitalism. In this context, the death knell of the private ownership system of capitalism has been clearly sounded.

In class relations, the fundamental contradiction of a capitalist society is seen in the opposing stand between the proletariat and the capitalists. The proletariat constitute the bearers of the socialized productive force and an exploited class which has been deprived of the ownership of any form of the means of production. The class interests and liberation conditions of the proletariat are identical to the objective demands for the development of the socialized productive force. The proletariat alone are capable of undertaking the gigantic social revolution to banish all forms of class exploitation. The class struggle lodged by the proletariat against the capitalists inevitably leads to dictatorship of the proletariat. Marx and Engels discovered the basis for the inevitable emergence of socialism precisely from the innate nature of the socialized productive force and the revolutionary function of the proletariat.

Upon entry into the 20th century when capitalism was in the stage of a transition into imperialism, world affairs assumed a more or less unified pattern. Imperialism swept countries in various stages of development into the fold of the worldwide economic structure of capitalism. The world was divided into two extreme poles, that of the rich and that of the poor. This is to say, on the one side were the oppressed races composed of a numerically large number of people, and on the other side were the oppressing races with a very small number of people who were immensely rich and were strong militarily. This joined together the liberation struggles of the proletariat with the liberation struggles of the world's oppressed peoples. The aggression and expansion of imperialism forced the masses of people in the world to enter into a new era of gigantic struggles aiming at the elimination of imperialism. After exhaustively studying the basic and special features of imperialism and noting the trend of development of the contradiction, Lenin came to the famous conclusion to the effect that "imperialism represented the 'eve' of the proletariat's social revolution."

He further believed that due to the uneven economic and political development of capitalism at the stage of the transition to imperialism, the proletariat would find it possible to break through first the weak links of the imperialist system. In other words, the proletariat would be able to emerge victorious in the socialist revolution among the undeveloped capitalist countries first. The victories of the October Revolution in the Soviet Union, the Chinese revolution, and revolutions in other countries all have confirmed Lenin's conclusion and the trend of development in the world's history of socialism replacing capitalism.

In the final analysis, while the causes of revolutions have their economic factors, revolutions are not solely determined by economic factors. As a matter of fact, the conflict of economic, political, cultural and military forces and the forces of various classes and of various social structures as well as international factors, and so forth, all blend together to form a complex pattern of causes. But provided with a modern economy of a stated degree of development and with the existence of a working class and the Communist Party as the vanguards, a socialist revolution has all the logical premises for success.

Modern China is a semicolonial and semifeudal society, being behind even the Soviet Union in economic and cultural development, but possessing a modern economy of a stated degree of development. Although among the Chinese enterprises the proletariat occupy a small proportion, they are deeply concentrated and are in natural alignment with the broad masses of peasants. The Chinese working class, personally suffering from the oppression of imperialism, feudalism and bureaucratism and devoid of the economic foundation of economic reformism, possess revolutionary thoroughness and determination. From the very beginning, the struggles of the Chinese working class have been associated with the national democratic struggles of people of the whole nation. As soon as they ascended the political platform they came under the leadership of the Chinese Communist Party who have taken Marxism-Leninism as their guiding ideology. This indeed is a very outstanding and special feature. In order that China may realize independence, democracy, power and affluence, its semicolonial and semifeudal character must be changed. In other words, not only must feudalism be overthrown but also imperialism and bureaucratic-capitalism must be cast overboard. This kind of revolution is only part of the revolution of the world's proletariat. It can only be led by the Chinese Communist Party, vanguards of the Chinese working class. Its thorough success will inevitably lead China to the road of development of socialism.

Over the past 30 years, science and technology have gone through a gigantic revolution and have enabled the economies of Western developed capitalist countries to achieve further development and to effect many new changes. These changes "signify that a new preparatory stage has arrived for society itself to seize hold of all productive forces" and "they denote the tactics for solution of the conflict and provide a lead to the solution of the conflict." ("Selected Works of Marx and Engels," vol 3, pp 435-436). However, the nature of the private ownership system of capitalism has not been changed; nor has the fundamental opposition between the proletariat and the capitalists been changed. In reality, the rapid development of the post-war capitalist economy was realized on the hard fact of intensifying the exploitation of the workers of the countries concerned and stepping up the plunder of the developing countries. At the same time, serious vibrations, work stoppages, and economic crises have rocked the economies of some countries. All this illustrates that national monopoly-capitalism cannot save capitalism.

The era of socialism replacing capitalism on a worldwide basis has already begun. To accelerate the progress of this historical development, we must bring man's subjective initiative into full play. It is true that because of her special historical conditions China has been able to enter into a socialist society prior to the Western developed capitalist countries but it is also the result of the Chinese Communist Party's hard struggles and their skillful linking together of scientific socialism with China's realities.



CENTRAL ORGANS URGE SUPPORT ARMY ACTIVITIES

OW171347 Beijing Domestic Service in Mandarin 1200 GMT 15 Jan 83

[Text] The General Offices of the CPC Central Committee, the State Council and the Military Commission of the CPC Central Committee recently approved and transmitted a report submitted by the Ministry of Civil Affairs and the General Political Department of the PLA on commemorating the 40th anniversary of the movement to support the army and give preferential treatment to military dependents and the movement to support the government and cherish the people and unfolding activities to promote the two movements during the Spring Festival period. The document transmitted by the three General Offices called on various units to launch an upsurge in supporting the army and giving preferential treatment to military dependents and in supporting the government and cherishing the people during the Spring Festival period.

The movement to support the army and give preferential treatment to military dependents and the movement to support the government and cherish the people started in Yanan in 1943 with a history of 40 years. They are part of the fine tradition of our party, government, army and the people of various nationalities.

The document transmitted by General Offices of the CPC Central Committee, the State Council and the Military Commission of the CPC Central Committee pointed out: Leading organs of the party, government and army at various levels, the trade unions, CYL committees, the women's federations and militia units at various levels should extensively and penetratingly educate the masses of people, cadres and commanders and fighters of the PLA on the important meaning of the two movements and on related policies and discipline by linking the education with the propaganda and study of the guidelines of the 12th National CPC Congress and the actual conditions of various localities and units. It is necessary to solve -- in a solid manner -- a number of historical problems which may adversely influence the unity between the army and the government and between the army and the people.

The report submitted by the Ministry of Civil Affairs and the General Political Department of the PLA has put forward specific requirements in launching the two movements this year.

ZHANG AIPING WRITES ELEGY TO YANG YONG

HK180729 Beijing RENMIN RIBAO in Chinese 17 Jan 83 p 4

[Poem by Zhang Aiping [1728 1947 5493]: "Painfully Mourning Comrade Yang Yong"]

[Text] Fifty years together on the battlefield,  
Unforgettable feelings of the Long March.  
The services grieve the loss of their general,  
But memory of his inspiring greatness remains.

6 January

WAN LI COMPETES IN BEIJING BRIDGE TOURNAMENT

OW171240 Beijing XINHUA in English 1107 GMT 17 Jan 83

[Text] Beijing, January 17 (XINHUA) -- Wan Li, acting premier and honorary president of the Chinese Bridge Association, ranked third with three teammates at a bridge tournament here yesterday, according to the Chinese sports paper TIYU BAO today.

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Eighteen teams with a total of 72 players participated in the tournament and competed in duplicate matches. Among the participants were leading members of government departments, engineers, medical personnel and army men.

First place in the tournament went to Wang Hanbin, deputy secretary-general of the Standing Committee of the National People's Congress, and three other players on his team while He Bingzhang, an advisor to the Ministry of Coal Industry, his wife Ma Shufang and two others took second place.

Ngapoi Ngawang Jigme, vice-chairman of the Standing Committee of the National People's Congress, teamed up with two sons and a son-in-law to take part in the competition.

The tournament's eldest participant was 78-year-old Zhang Xueming, a younger brother of General Zhang Xueliang. Zhang Xueming is a member of the National Committee of the Chinese People's Political Consultative Conference.

The tournament was sponsored by the Chinese Bridge Association, the NEW SPORTS magazine, the Beijing Bridge Association and the Beijing television station.

#### WAN LI SPEAKS AT TOURIST WORKERS MEETING

OW140105 Beijing XINHUA in English 1238 GMT 14 Jan 83

[Text] Beijing, January 14 (XINHUA) -- "Uphold friendship while achieving economic benefits" will be the principle guiding the development of tourism in China.

Acting Premier Wan Li said today: "Friendship must be considered first should there be a conflict between friendship and economic benefits."

Wan Li made the remarks in a speech at the closing session of a national meeting to commend advanced tourist workers and units, which opened January 10.

This principle is necessary, he said, because "China is a socialist country, a country renowned for its ancient civilization."

Also attending today's closing session were Liao Chengzhi, vice-chairman of the Standing Committee of the National People's Congress, and Chen Muhua, state councillor.

#### CHEN PIXIAN INTERVIEWED ON LEGAL SYSTEM

OW162320 Shanghai City Service in Mandarin 2300 GMT 14 Jan 83

[Text] The first issue of this year's MINZHU YU FAZHI [DEMOCRACY AND THE LEGAL SYSTEM], a multifeature monthly of political, legal, ethical and social issues, was published today. The current issue carries a talk by Chen Pixian, member of the Secretariat of the CPC Central Committee, while being interviewed by the journal's reporter.

Chen Pixian stresses that propagation and education of the legal system must be launched nationwide. He says: To adapt the legal system, the old ways of doing things must be completely eradicated and the law must be upheld with resolve. We must intensify the propagation of the legal system so that everybody will understand what is advocated, encouraged, opposed or prohibited by the new constitution.

Comrade Chen Pixian adds: Building of the legal system in the economic departments must promptly be put on the agenda. In order to understand how to use the law, we must trust our legal advisers so that our four modernizations can be enhanced.

The current issue's legal commentaries include six articles and talks by (Luo Zhufeng), Liao Mosha, (Pan Nianzhi), He Luting and others. Presented in their articles and talks are their brilliant expositions and pertinent suggestions with regard to the intellectuals' social status prescribed in the new constitution and the implementation of the policies on intellectuals.

#### DENG LIQUN ADDRESSES EDUCATION CADRES GRADUATION

OW152314 Beijing XINHUA Domestic Service in Chinese 1646 GMT 15 Jan 83

[Text] Beijing, 15 Jan (XINHUA) -- A graduation ceremony was held today for 164 cadres in higher education who had just completed their advanced courses at the central institute of educational administration. The graduates confidently said: After returning to their posts they will continue to study educational science and work hard to contribute to bringing a new situation in the country's higher education.

Attending the ceremony and congratulating the graduates were Deng Liqun, member of the Secretariat and director of the Propaganda Department of the CPC Central Committee; He Dongchang, minister of education; and others.

Deng Liqun said: Leading comrades engaged in the work of higher education have had this opportunity to raise their ideological and professional levels by taking advanced courses, acquiring new knowledge and studying new questions. This is conducive to promoting the development of higher education and strengthening ideological and political work and teaching in institutions of higher learning.

Deng Liqun stressed: Persistently carrying out extensive education in patriotism over a long period of time is the central task of ideological and political work in institutions of higher learning from now on. Education in patriotism should be carried out among college students from entrance to graduation. Not only should political courses include educational content in patriotism but all specialized courses should also be conducted in connection with education in patriotism. It is necessary to do away with the viewpoint that education on patriotism is only the task of political courses and that specialized courses can do nothing about it. All leading cadres, teachers, administrative staff members and workers in schools should shoulder the responsibility of educating students on patriotism, no matter whether they are in charge of political and ideological work, party affairs, logistical work or teaching. Various forms should be adopted to strengthen education in patriotism through teaching in various branches of learning in order to guide students to increase their ideological understanding and to gradually adopt the communist world outlook.

He said: A Marxist should be a patriot first. Most of our party members over 40 first had patriotic ideas and then began conscientiously to seek and believe in communism. Through education on patriotism we should enable young people to understand our party's historical experiences in advancing from the democratic revolution to the socialist revolution under the guidance of Marxism and by holding high the banner of patriotism, thus arousing their patriotic fervor. Then their enthusiasm for building the socialist motherland will burst out like sparks from the bottom of their hearts. Young people should be made to understand that the territorial integrity and unification of our country have not yet been achieved and that sovereignty over Hong Kong and Macao is not yet in our hands. We must accomplish the great cause of reunifying the motherland in the course of undertaking the four modernizations and safeguard the interests of the world people in the struggle against hegemonism.

Deng Liqun called on leading comrades in every institution of higher learning to educate people while imparting knowledge and, by starting with education in patriotism, to improve and strengthen ideological and political work among the students and to do this work more vigorously.

This group of cadres engaged in higher education graduated from the first class for advanced studies. They are principal responsible persons of 158 universities and colleges in the country's 29 provinces, municipalities and autonomous regions and directors of some provincial and municipal higher education departments and bureaus. While attending the class they mainly studied 48 courses, whose teaching materials consist of nearly 4 million characters, covering such subjects as socialist economics, the history of the CPC, the Marxist concept of education, higher pedagogy and administration of higher education. Through this course they got a deeper understanding of the relationships between higher education on the one hand and politics, economics, science and culture on the other and of the party's educational policy. They also gained a clearer understanding of the need to apply the modern science of educational administration to run institutions of higher learning and to reform the educational system and the structure of higher education in our country. In the last stage of their studies they all wrote papers summarizing their studies as well as theses on special subjects they chose themselves.

#### WANG ZHEN ADDRESSES GUANGDONG PARTY SCHOOL

HK150243 Guangzhou Guangdong Provincial Service in Mandarin 2350 GMT 14 Jan 83

[Text] The Guangdong Provincial CPC Committee Party School's second rotational study course of 1982 for leading cadres at and above the level of county CPC committee deputy secretary held its concluding gathering on the morning of 14 January. Wang Zhen, member of the Political Bureau and president of the Central Party School, who is currently in Guangzhou, spoke at the gathering.

Comrade Wang Zhen said in his speech: The CPC Central Committee attaches extremely great importance to the successful running of party schools at all levels. He also said: In conjunction with the organization, propaganda, and discipline inspection departments, the party schools are responsible for education and management of the cadres. Apart from training cadres, they must also examine and find out about them and do a good job in keeping a check on the selection and promotion of cadres. He also demanded that the party schools at all levels continually sum up experiences and adopt practical measures to operate well and train large numbers of revolutionized, younger, specialized and better educated up-to-standard and talented leaders for our party.

#### ULANHU, YU QIULI AT MEMORIAL MEETING FOR JI HE

OW150240 Beijing XINHUA Domestic Service in Chinese 1517 GMT 14 Jan 83

[Excerpt] Beijing, 14 Jan (XINHUA) -- A memorial meeting for Comrade Ji He, an outstanding member of the Chinese Communist Party and long-tested loyal proletarian revolutionary fighter and adviser to the Academy of Military Sciences of the Chinese PLA, was held today at the auditorium of the Babaoshan Cemetery for Revolutionaries.

There were wreaths from Ye Jianying, Chen Yun, Xu Xiangqian, Nie Rongzhen, Wang Zhen, Ulanhu, (?Yang Shangkun), Yang Dezhi and Yu Qiuli; and from the Central Military Commission, the PLA General Staff Department, General Political Department and General Logistics Department, and the Beijing Municipal CPPCC Committee.

Ulanhu and Yu Qiuli attended the memorial meeting.

Comrade Ji He died of illness in Beijing on 4 January 1983 at the age of 78.

ULANHU, OTHERS MARK PUBLISHING HOUSE ANNIVERSARY

OW160120 Beijing XINHUA in English 1622 GMT 15 Jan 83

[Text] Beijing, January 15 (XINHUA) -- China's nationalities publishing house marked its 30th anniversary at a gathering of more than 400 people in the Chinese People's Political Consultative Conference auditorium here today.

The publishing house, the largest of its kind in China, specializes in political and theoretical books and periodicals. Employing 400 people from 13 nationalities, the house publishes annually more than 400 titles of more than 6 million copies.

Statistics from the house show that in the past 30 years it has translated and published more than 120 million copies of books in Mongol, Tibetan, Uygur, Kazak, Korean and Han and more than 60 million copies of periodicals, including the nationwide NATIONAL UNITY, NATIONALITIES PICTORIAL and RED FLAG.

China now has 23 nationalities publishing houses serving about 60 million people of 55 minority nationalities.

Speaking at the gathering, Delin [1795 2651], director of the publishing house, said that as a result of the implementation of the party's policies on nationalities and intellectuals, the publication in minority languages has greatly expanded since 1978.

He said that the publishing house has published fine works by minority writers and works on cultural heritage of minority nationalities, in addition to Marxist-Leninist classics, works by Mao Zedong and other veteran proletarian revolutionaries and documents of the party and government, Chinese and foreign literary classics, science literature and reference books.

"Such a variety of publications have won admiration of minority readers," he added.

Attending the gathering were party and state leaders Ulanhu, Deng Liqun, Seypidin, Ngapoi Ngawang Jigme and Bainqen Erdini Qoigyai Gyaincain, Vice-Chairman of the C.P.P.C.C. National Committee Liu Lantao and minister in charge of the State Nationalities Affairs Commission Yang Jingren. [Beijing XINHUA Domestic Service in Chinese at 1625 GMT on 15 January adds the following: "Yang Jingren, director of the CPC Central Committee's United Front Work Department and minister in charge of the State Nationalities Affairs Commission, also spoke at the gathering. He said: The nationalities publishing house has made great contributions to disseminating Marxism-Leninism-Mao Zedong Thought, publicizing and implementing the party's line, principles and policies, strengthening unity among the nationalities, consolidating the unification of the country and promoting ideological and cultural exchanges among the various nationalities. Yang Jingren expressed the hope that the personnel of the publishing house would continue to work hard, persist in serving the people and socialism, publish more and better works that are suitable for the various nationalities and create a new situation in translation and publishing work."]



ZHANG AIPING VISITS HOSPITALIZED ZHANG TONGXING

OW171047 Beijing XINHUA Domestic Service in Chinese 1154 GMT 13 Jan 83

[Newsletter by XINHUA reporter Zhang Chunting: "When Zhang Tongxing Became Seriously Ill"]

[Excerpts] Beijing, 13 Jan (XINHUA) -- When the news that Zhang Tongxing, an outstanding representative of intellectuals, was seriously ill circulated, it received the attention of leading comrades of the central organs and personalities of various circles. Many people are now anxious regarding his illness.

Zhang Tongxing is deputy director and chief engineer of a branch of a certain factory under the Ministry of Nuclear Industry and a national model worker. His condition was very good after having a gastrectomy at the general hospital of the Lanzhou PLA units last March. However, 8 months after the surgery, he suddenly felt unbearable pain in the left part of his stomach and a lump which was larger than an egg. Upon learning of Zhang Tongxing's condition, Gao Qingchang, secretary of the branch factory party committee, immediately had some personnel send him to the factory hospital for a checkup and requested by telephone that the general hospital of the Lanzhou PLA units send a doctor to the factory hospital for group consultation on his illness. The checkup showed that it might be the metastasis of a carcinoma. Paying close attention to Zhang Tongxing's condition, the leadership of the factory immediately reported his condition to the Ministry of Nuclear Industry and requested that he be transferred to another hospital for treatment.

The leading party group of the Ministry of Nuclear Industry immediately decided to let Zhang Tongxing come to Beijing as soon as possible for medical treatment and instructed the department concerned to contact the hospital concerning his hospitalization. Minister of Nuclear Industry Zhang Chen said, particularly, that Zhang Tongxing's factory should keep the ministry informed of his condition.

When the news reached the Ministry of National Defense, Zhang Aiping, state councillor and minister of national defense, asked the Ministry of Nuclear Industry to give him a copy of the briefing on Zhang Tongxing's condition. He also telephoned Hong Xuezhai, director of the General Logistics Department, and asked him to help make arrangements for Zhang Tongxing's hospitalization.

The task of treating Zhang Tongxing was assigned to the PLA No 307 hospital. The leaders and medical personnel promptly made serious studies and preparations for his hospitalization.

After Zhang Tongxing ate breakfast the first day after being admitted to the hospital, Comrade Zhang Aiping visited him at the hospital. When Zhang Tongxing cheerfully got up from his bed and asked the minister to sit in the only upholstered armchair in the room, Zhang Aiping held his hand cordially and said: "No, I have come to see you. You who are the patient should sit in the armchair." While pushing Zhang Tongxing to sit in the armchair, Zhang Aiping pulled up a wooden stool and sat on it. After asking Zhang Tongxing about his illness, Zhang Aiping told him to get better, not to worry and that when he recovered from his illness, he would be able to continue to work for the party. Then Zhang Aiping turned to hospital leaders and medical personnel standing nearby and said: You must do what you can to cure Zhang Tongxing's illness. If you do not have sufficient personnel, you may ask for personnel from Shanghai.

Zhang Aiping said: We must show concern for and take good care of intellectuals, especially the thousands of intellectuals like Zhang Tongxing, a living Jiang Zhuying or Luo Jianfu. This is necessitated by the four modernizations and it is where the fundamental interests of the 1 billion people lie.

Later, Zhang Aiping telephoned the departments concerned and the hospital several times to ask about the development of Zhang Tongxing's condition. He also organized medical personnel from various quarters to examine Zhang Tongxing and hold consultations on his illness.

After Zhang Tongxing was hospitalized, Director Song Renqiong of the CPC Central Committee Organization Department, President Ni Zhifu of the All-China Federation of Trade Unions, and other responsible comrades visited him at the hospital one after the other.

Party organizations and the people's medical personnel are now doing everything possible to cure Zhang Tongxing's illness. We wish that this outstanding representative of intellectuals who has made an outstanding contribution to the motherland's nuclear industry will recover from his illness at an early date.

#### YU QIULI INSPECTS 'CIVILIZED VILLAGES' IN HEBEI

OW161421 Beijing XINHUA Domestic Service in Chinese 0146 GMT 16 Jan 83

[Text] Shijiazhuang, 16 Jan (XINHUA) -- Not long ago, while inspecting the civilized villages jointly built by army-men and people in Baoding Prefecture, Hebei, Yu Qiuli, member of the Political Bureau of the CPC Central Committee and director of the PLA General Political Department, pointed out that the civilized villages jointly built by army-men and civilians provide new ideas and new experiences for doing mass work during the new period, and that building these villages is a good way of carrying forward the PLA's glorious tradition of supporting the government and cherishing the people. He urged the armed forces to emulate these experiences and work together with the people of the villages that have contacts with the armed forces to build more civilized villages.

During the tumultuous decade, Baoding Prefecture was a notorious "disastrous area" where party style, popular morale, public order and army-civilian unity were seriously ravaged. After the 3d Plenary Session of the 11th CPC Central Committee, army-men and people in the prefecture began to look forward in unity and exert common efforts to build a socialist material civilization and a socialist spiritual civilization. Last spring, a certain PLA unit stationed in Baoding began to solicit local support to build civilized villages and the initiative was greatly welcomed by the local government and people. Over a period of a year or so, the army unit helped the localities build over 100 civilized villages. In these villages, the party style and the standards of conduct in each village, family and school have been noticeably improved, and army-government and army-men-civilian unity has been strengthened.

While conducting the investigation in these villages, Comrade Yu Qiuli attentively heard a report and made an on-the-spot inspection of the new order in these villages. He highly hailed the 10 major changes brought about by these civilized villages and pointed out that the building of civilized villages with joint efforts of army-men and civilians will strengthen the army building significantly. He said: Since army-civilian unity has been strengthened, the army-men will learn more from the people. After the adoption of the responsibility system in agricultural production in the rural areas, the general situation there has been very good as production has developed and the living standard of the peasants has improved.



Having been directly exposed to such improvements, the commanders and fighters will have a greater confidence in the correctness of the line, principles and policies adopted by the 3d Plenary Session of the 11th CPC Central Committee, a greater confidence in realizing the goal set forth by the 12th party congress of quadrupling the gross output value of industrial and agricultural production by the end of this century, and a greater confidence in achieving a fundamental turn for the better in party style and in standards of social conduct within the next 5 years. Such confidence will enhance the building of a civilization with socialist spirit in the armed forces.

Before finishing his inspection, Comrade Yu Qiuli urged the commanders and fighters stationed in Baoding to sum up their experiences, achieve still greater success, work together with the masses and build the civilized villages into still better places in accordance with the principle of relying mainly on the local leadership and the efforts of the masses and giving them spiritual support. He said there are tens of thousands of PLA units throughout the nation's countryside. If all these areas are developed into civilized villages, they will play a tremendous role in strengthening the local governments, in improving the party style and standards of social conduct, in strengthening army-government and army-civilian unity and in strengthening the building of the armed forces.

#### EXPANDED USE OF HYBRID RICE REPORTED AT MEETING

OW170050 Beijing XINHUA in English 1616 GMT 16 Jan 83

[Text] Chengdu, January 16 (XINHUA) -- China harvested 32 million tons of hybrid rice in 1982, 5.5 million tons more than 1981, according to a national conference held in Chengdu, capital of Sichuan Province.

The latter figure accounts for about 44 percent of the increased amount of the country's rice output in 1982, delegates to the conference said.

In 1982, hybrid rice was planted on 5.6 million hectares throughout the country, 460,000 hectares more than in 1981, the conference was told.

In addition, hybrid rice yielded an average of 5.7 tons per hectare, 0.53 tons higher than 1981.

Many high-yield areas have appeared in rice growing centers of southern China as a result of the popularization of the good rice strain, delegates said.

Fifty-six counties in Sichuan, Hunan and Jiangsu Provinces reported an average of more than 7.5 tons of rice per hectare in 1982, and 50 counties in Zhejiang, Fujian, Jiangxi, Guangdong and Yunnan Provinces harvested an average of more than six tons of late hybrid rice per hectare.

China's 1983 hybrid rice cultivation area is expected to be 6.67 million hectares, 670,000 hectares more than 1982, the conference was told.

#### COASTAL SHIPPING VOLUME INCREASES IN 1982

OW180926 Beijing XINHUA in English 0823 GMT 18 Jan 83

[Text] Beijing, January 18 (XINHUA) -- China's north-south transport service along its coastal sea routes recorded a total volume of 11.7 million tons of cargo in 1982, doubling the tonnage in 1978, according to a spokesman for the Ministry of Communications.

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The north-south coastal shipping route, more than 1300 nautical miles long, starts with the Huangpu Harbor, the Guangzhou Harbor and the Zhanjiang Harbor of Guangdong Province in the south, to Dalian Harbor in Liaoning Province and Qinghuangdao Harbor in Hebei Province in the north.

Linking 15 seaports, the coastal shipping route connects such inland rivers as the Yangtze, the largest in the country, and the Pearl River.

Last year along the south-north coastal shipping route China transported 2.06 million tons of coal, 6.59 million tons of oil and 1.45 million tons of metal ore, as well as various sundry goods. Many local fleets are encouraged to transport goods for domestic use or export on the coastal lines.

In an exclusive interview with XINHUA, the spokesman said that since the railway transportation is rather strained at present, south-north coastal shipping is very important to expediting the interflow of commodities and other goods between south China and north China.

According to the ministry, the 15 seaports now can handle more than 200 million tons of cargo annually as a result of a nationwide harbor construction program.

The improvement of communications and transport was listed by the recent 12th party congress as one of the strategic priorities in realizing the goal of quadrupling China's annual total industrial and agricultural output value by the end of this century.

According to the ministry, construction of 133 deep-water berths will begin between 1981 and 1985 in the 15 coastal harbors. Of these, 54 are expected to be completed by 1985, adding 100 million tons of cargo loading and unloading capacity.

Since 1980 China has built and renovated 18 wharves along the coast in Guangdong, Zhejiang, Jiangsu, Shanghai, and Tianjin adding a cargo-handling capacity of more than 8.39 million tons.

In addition, new oceangoing vessels and inland ships with a tonnage of 1.55 million tons were added to spur the transportation of exports, imports and domestic goods, the ministry spokesman said.

Along the coast, the Shanghai Port, the largest in China, accommodates more than 5,000 oceangoing vessels annually and handles one-fifth of the country's import and export commodities. In order to keep pace with expanding foreign trade and developing national economy, some major automated loading and unloading projects as well as some berths for special use are now under construction at the harbor.

#### CPPCC OFFICIAL URGES CONCERN FOR INTELLECTUALS

OW180041 Beijing XINHUA Domestic Service in Chinese 1320 GMT 13 Jan 83

[Text] Beijing, 13 Jan (XINHUA)-- On the morning of 13 January, noted personages of the intellectual circle and representatives of old, middle-aged and young intellectuals in Beijing -- a total of over 1,000 people -- attended a report meeting on the advanced deeds of Jiang Zhuying, Luo Jianfu and Sun Yefang at the CPPCC Auditorium.

Comrades of the Chinese Academy of Social Sciences, the Jilin branch of the academy and the Ministry of Aviation Industry introduced the advanced deeds of Sun Yefang, Jiang Zhuying and Luo Jianfu at the meeting.

Liu Lantao, vice chairman of the CPPCC National Committee, presided. He said: In learning from these three comrades, we are propagating their spirit throughout the country in order that all society will show concern for, and attach importance to, the numerous living Jiang Zhuyings and Luo Jianfus.

Zhou Peiyuan, vice chairman of the CPPCC National Committee and chairman of the China Association for Science and Technology, also spoke at the report meeting. He said: The greatest waste is to waste talent. We must fully trust intellectuals politically, give play to their academic expertise in work and show concern for their livelihood. He expressed the hope that intellectuals will arm themselves with the communist world outlook, maintain close ties with the workers and peasants, display modesty and humility and make greater contributions for the people.

The meeting was jointly held by the CPPCC National Committee, the Chinese Academy of Sciences, the Chinese Academy of Social Sciences, the Ministry of Aviation Industry, the Ministry of Education and the China Association for Science and Technology.

Vice Chairmen of the CPPCC National Committee Wang Shoudao, Yang Xiufeng, Qian Changzhao and Dong Qiwu and responsible persons of the concerned departments Lu Jiaxi, Ma Hong, Zhang Jun, He Donghang and Peng Youjin attended the meeting.

#### SUN YEFANG STRESSES ROLE OF STATISTICAL WORK

HK150603 Beijing JINGJI RIBAO in Chinese 7 Jan 83 p 1

[Article by Sun Yefang [1327 0396 2455]: "It Is Necessary To Bring Into Play the Supervisory Role of Statistical Work"]

[Text] I spoke on statistical work at the 12th party congress. I advocated the independence of statistics. The State Statistical Bureau is, in party work, directly under the leadership of the NPC Standing Committee. It also has ties with the Central Commission for Discipline Inspection. Only thus can statistics be reliable and can statistical work better play its supervisory role.

I profoundly hope that everyone will do a still better job in statistical work and make still greater contributions to creating a new situation in all fields of socialist modernization.

Beijing Hospital

8 December 1982

#### XU DIXIN MAKES SUGGESTIONS FOR JINGJI RIBAO

HK170929 Beijing JINGJI RIBAO in Chinese 7 Jan 83 p 3

["Notes of the New Spring" by Xu Dixin [6079 3321 2450]: "A Few Hopes"]

[Text] The readjustments and reforms in our national economy are quickly developing, and gratifying achievements have been made in both industrial and agricultural production; the state has reversed the past situation in which income decreased in three consecutive years.

This means that our national economy has taken the road of steady development. Thus, we are provided with favorable conditions for quadrupling the gross annual value of industrial and agricultural production by the end of this century.

In order that the national economy steadily continues to develop, it is extremely necessary to promptly reflect the changes in transportation and industrial and agricultural production in various parts of the country, the economic results in the production management of various production departments, the circulation channels and market tendencies. In short, it is extremely necessary to promptly provide economic information for various departments and various parts of the country. It is hoped that JINGJI RIBAO can achieve results in this aspect.

At present, countries of the West are struggling amid a serious economic crisis. Production is declining and enterprises are closing down. The number of unemployed people is approaching that in the 1930's. It is hoped that JINGJI RIBAO will frequently make contrasting reports. Such reports enable people to understand the trends of the international economy. In addition, people will be able to understand the superiority of our socialist economic system.

As for the readers, of course it is necessary to reflect the economic situation outside our country. However, this alone is not enough. It is hoped that JINGJI RIBAO can help the readers in their theoretical understanding. For this reason, it is not only necessary to frequently publish theoretical articles, it is also necessary to devote space to discussion.

Letters from readers are the lead linking newspapers and society. It is hoped that JINGJI RIBAO will provide a certain amount of space for publishing letters from readers. Comrade Zhou Taofen's SHENGHUO [LIFE] weekly was so influential because between SHENGHUO and the readers there was a relationship which was as close as flesh and blood and because letters from readers became an important part of it.

There is another question on statistics. It is hoped that JINGJI RIBAO can publish systematic figures of certain departments at regular intervals (for example, once per quarter). They can also publish the systematic figures of a factory or a production brigade within a certain period of time. This work depends on the State Statistical Bureau; however, investigation figures of newspapers are also very valuable,

#### BO YIBO'S LETTER ON HOW TO RUN JINGJI RIBAO

HK171127 Beijing JINGJI RIBAO in Chinese 4 Jan 83 p 1

["Comrade Bo Yibo's [5631 0001 3134] Letter to This Paper"]

[Text] I am in favor of developing ZHONGGUO CAIMAO BAO into JINGJI RIBAO. How are we to run this paper satisfactorily? I think that our broad ranks of economic workers want to often be informed on the following:

1. To realize the correctness of and see the achievements resulting from the party's and government's economic policies from the report on economic information;
2. To understand through a concrete report the ways which an enterprise should follow in order to exercise satisfactory administration and management and carry out reform for the purpose of achieving the best economic results;

3. Our economic reports as a whole should show that our enterprises should not rely on "eating from the same big pot" but should rely on producing marketable products of good quality and competitive potential;
4. The paper should spread economic information in as timely a manner as a weather report;
5. It should report all current developments and development trends of the world economy.

The above is what I have written at random. The points may not be entirely correct and are put forward only for reference.

CHEN MUHUA'S WELCOME LETTER TO JINGJI RIBAO

HK171136 Beijing JINGJI RIBAO in Chinese 4 Jan 83 p 1

["Comrade Chen Muhua's Letter to This Paper"]

[Text] I very warmly welcome the beginning of the publication of your paper on 1 January 1983. I agree with Comrade Yibo's five points of hope.

As a worker engaged in external economic exchanges, I particularly hope that your paper will carry international economic information, give more reports on our country's external economic activities and publish more articles to expound on the problems that have cropped up in these activities. In this way your paper will play an active role in developing our country's external economic exchanges.

JINGJI RIBAO ON WRANGLING IN ECONOMIC WORK

HK170947 Beijing JINGJI RIBAO in Chinese 3 Jan 83 p 1

[Editorial: "Stop Wrangling; Improve Efficiency"]

[Text] We propose that the economic front, particularly the departments in charge of economic work, should carry out a discussion on objecting to the work style of wrangling.

Failing to handle things that could be tackled; stalling affairs that could be handled quickly; palming off one's own duties on other people; refusing to carry out a task that will greatly benefit the state and the people but will cause some losses to a unit and some partial interest; when dealing with some affairs that need all parties concerned to coordinate their efforts, setting forth terms or placing obstacles on the basis of one's own interests, thus artificially complicating the things;...All these phenomena constitute "wrangling."

All these phenomena are important manifestations that uneconomical phenomena exist in the economic departments. Because of wrangling, many rational proposals that can produce marked economic results cannot be adopted rapidly and many new achievements of scientific research cannot be promptly popularized. As a result, many unreasonable problems in all links of production and circulation cannot be solved for a long time. Numerous vivid instances have told us that not because of poor objective conditions but simply because people argued back and forth with each other, have tremendous waste and losses been caused. This has become a startling problem. It has seriously harmed the interests of the state, adversely affected the progress of the four modernizations and spoiled the party's lofty prestige among the masses.

In order to guarantee that our construction cause can develop smoothly, leading comrades at all levels must be determined to effectively improve efficiency in economic work and strictly stop unrealistic empty talk and the practice of wrangling that harms the overall interests. This should be taken as a major part of discipline and principle concerning the party spirit for the economic departments.

How should the phenomenon of wrangling be overcome? The most important is to establish an overall viewpoint and the attitude of serving the people. Leading departments in the economic field at all levels should carry out an earnest rather than perfunctory check. First they should find out the phenomenon of wrangling within their own departments or systems; then they should list the phenomena of wrangling with other departments and systems. They should find out the reasons for these phenomena and work out measures to solve them. So long as things are beneficial to the state and the people and objective conditions are available for their solution, all departments concerned must make efforts to create conditions and cooperate to do them well. They cannot continue to drag on these things any longer with "consultation" and "consideration" as excuses.

Many unreasonable things do exist in the current economic management system and regulations. This causes difficulties for us to solve problems. But we can never give up our efforts for this reason or postpone the solving of some urgent problems until the accomplishment of structural reform. Some matters which do not involve a wide area can be decided by one company or be solved through the consultation of several companies. They must not be dragged on. Some other problems which involve the current system or policies should also be solved step by step through structural reform. When a feasible measure is available, we must go into resolute action.

The position responsibility system for cadres in the economic leading organs should immediately be established. Over many years, some comrades have been accustomed to "eating from the same big pot." They lack real capability of directing modernization construction. They should be replaced and assigned to study professional knowledge. As for a very small number of people who have incorrect style of thinking and only drift along by wrangling, they should be resolutely removed from their current positions and replaced with those comrades who can safeguard the overall interests of the state and are willing to bear more burdens. It is hoped that all of us can seriously consider the above issues and take corresponding steps so as to go into action for strengthening cooperation, stopping wrangling and improving efficiency.

#### INTERNATIONAL ECONOMIC INFORMATION CENTER OPENS

OW180334 Beijing XINHUA in English 0157 GMT 18 Jan 83

[Text] Beijing, January 18 (XINHUA) -- The Beijing center for international economic information, the biggest project in China aided by the United Nations Development Program, went into operation recently.

At present, the center provides computer and other services to economic departments, government organs and other establishments and enterprises mainly for management and planning. The scope now covers enterprise management, commerce, communications and transportation, city construction, power system planning, medical and health work, agriculture and forestry, project management and scientific and technical information retrieval.

The center is an unprofitable establishment, collecting only a small amount of fees from the users for the services it provides.



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PROSPECTS FOR U.S.-TAIWAN RELATIONS VIEWED

OW141045 Taipei CHUNG KUO SHIH PAO in Chinese 2 Jan 83 p 2

[Column by Tu Heng-chih: "Prospects for Sino-American Relations"]

[Excerpts] Since the severance of diplomatic relations on 1 January 1979, relations between the Republic of China and the United States have been built on the basis of the so-called "American model". Due to the "shock" brought about by what people call the "Shanghai communique No 2" which was jointly issued by the U.S. and the Chinese communists on 17 August 1982, compatriots in the whole country are naturally very concerned about the development of Sino-American relations in the coming year. In view of some major changes in the world situation in 1982, especially in the triangular relations between the U.S., USSR and Chinese communists, I believe that we can see very clearly four possible developments in U.S.-ROC bilateral relations.

The first possible development stems from the setback of the "normalization" of relations between the U.S. and the Chinese communists. At present, the Chinese communists, taking advantage of a softening policy by the Soviet Government and a change in its leadership, is making a gesture of "leaning" towards the Soviet Union, as they did in the 50's. They sometimes publicly call both the U.S. and USSR "hegemonists," and this insults the U.S. at least psychologically. Under this kind of situation, the U.S. Administration would cherish more the honest friendship of the ROC and the two countries' defense relations could be quickly restored, through some informal or secret arrangements, to the 1954 mutual defense treaty level to prevent a military invasion of Taiwan launched by the Chinese communists out of anger or shame.

The second possible development is a situation in which the U.S. would cooperate with the Soviets to "contain" the Chinese communists. The U.S. and Soviets may take joint action to "quarantine" their common enemy, the Chinese communists, to prevent them from instigating wars throughout the world. The U.S. would treat the ROC on Taiwan as an anticommunist vanguard in the western Pacific. Apart from strengthening the arms buildup in the ROC so that the two countries can fight together in a future war to sanction [zhi cai 0455 5932] the Chinese communist regime, the U.S. should upgrade its political relationship with the ROC from the present "American model" to some sort of official relationship.

The third possible development is that the U.S. continues to implement the agreements in the "August 17" communique signed with the Chinese communists. Before the arms limitation talks between the U.S. and the Soviet Union have produced concrete results, the U.S. and West European countries may yield to blackmail by the Chinese communists, because they need them to tie down the large number of Russian troops in the Far East. Under this kind of pressure, the U.S. may continue to make concessions on arms sales to Taiwan, an issue that constitutes the core of "Shanghai communique No 2". Consequently an unbalanced military situation may emerge on both sides of the Taiwan Strait that will be in favor of the Chinese communists in their threat to Taiwan.

The fourth possible development is to maintain the status quo. After issuing "Shanghai communique No 2" on 17 August 1982, the U.S. Government, though fawning on the Chinese Communists, failed to win genuine peace from them. On the contrary, it was blamed domestically by the congress and public opinion. To President Reagan, the "communique" was a test of his policy towards the ROC and demonstrated that the balance of U.S. relations with both the Chinese communists and the ROC cannot be undermined by any force. Therefore, on the day the "communique" was issued, Reagan announced that the U.S. policy contained in the "communique" is "fully consistent with the Taiwan Relations Act".

Of the four above-mentioned possible developments, the first two would mean a drastic change in U.S. relations with the Chinese communists, which, however, may lead to an improvement in relations between the U.S. and the ROC. Although formal diplomatic relations cannot be immediately reestablished, the two governments would undoubtedly make efforts towards attaining that goal. The third possible development is that the U.S. continues to abide by the principles of the "August 17 communique" and to appease the Chinese communists, which, of course, will be absolutely harmful to the ROC. As to whether the fourth possible development, to maintain the status quo in relations between the U.S. and ROC, is favorable or unfavorable to the ROC, will depend on the understanding of policy-makers in the two countries and the broad cooperation between their peoples. I would like to analyse and evaluate the four possible developments respectively as follows:

First of all, it is clear that the first possible development stems from the setback in "normalization." If the power-holders in the U.S. are far-sighted, they should rein in before the precipice to avoid bringing disastrous misfortune on the country. As a matter of fact, since the Nixon administration, every U.S. president has treated the "normalization of relations" with the Chinese communists as a policy already fixed by the two parties, and neither the congress nor the executive branch has been willing to review that policy. Therefore, the pace of "normalization" may slow somewhat in the future, but it will not stop completely. Moreover, the U.S. may not be willing to improve or upgrade substantive relations with the ROC in order to avoid offending the wildly arrogant Chinese communists. Thus, the first possible development will not be realized in the foreseeable future.

The prerequisite for the second possible development is whether the new Soviet leader, Andropov, is as brave and capable as his predecessor Brezhnev to reach another "detente" with the U.S. In the eyes of the Soviets, the ROC is a long-standing ally of the U.S. giving more to the ROC to "contain" the Chinese communists is a U.S. affair. It does not concern the USSR very much. Anyway, there will be a day when the U.S. is willing to strengthen Sino-American relations and to cooperate with the Soviets to sanction the Chinese communists, due to the latter's irrational behavior. However, we cannot make a clear prediction at this moment.

The third possible development is the continuation of the "August 17 communique". This is actually the orientation of the U.S. administration's current policy. Endless blackmailing from the Chinese communists has aroused public indignation in the U.S. Thus the Reagan administration has had to exercise extreme caution in fulfilling the obligations in the "communique." As a result, this kind of development -- limited appeasement of the Chinese communists -- will not be realized. From the above-mentioned facts, it can be anticipated that the fourth possible development, to maintain the status quo in Sino-American relations, is the most probable. Here, we have to point out that the single most important factor in maintaining the status quo is the "Taiwan Relations Act." The basic principle in this law is the "de facto two Chinas." That is to say, while recognizing the Chinese communists' regime as "the sole legitimate government in China," the U.S. Government also recognizes the Government of the ROC as a "de facto" Chinese Government, effectively governing Taiwan.

The U.S. Government has announced that Secretary of State Shultz will visit Peiping from 2 to 6 February this year. This is, of course, an event worth watching. The purpose of his visit obviously includes having preliminary consultations in preparation for President Reagan's visit to mainland China. If it is true as reported by newspapers that Reagan cannot visit mainland China and other East Asian countries until 1984, an election year, Secretary of State Shultz may carry higher responsibility in his visit to mainland China. He will become an important envoy on behalf of the President, because the Chinese communists will become very impatient with the many disputes between themselves and the United States.

The United States has made maximum concessions on the "Taiwan issue" put forward by the Chinese communists. Actually there is nothing more to negotiate, but we must heighten our vigilance, because the Chinese communists' greed can never be satisfied. Our new head of the CCNAA has just taken up his post in the United States. I am convinced that he will reflect the concern and stand of the people of the ROC to the American Government and people. It is hoped that Sino-American relations, after withstanding the challenge of the "August 17 communique", will enter a period of stability, and that the leaders of the two countries will be able to develop relations between the two countries in the course of stability and lay solid foundation for the two great peoples to continue their friendship and work together for world peace.

U.S. ELUCIDATES 17 AUG U.S.-PRC COMMUNIQUE

OW130239 Taipei International Service in English 0100 GMT 1 Jan 83

[Text] THE CHINA TIMES [CHUNG KUO SHIH PAO] reports from Washington that the U.S. State Department, in response to a series of questions by congress, has made several important explanations and clarifications of the joint communique issued between Washington and Peking on 17 August. The State Department stressed that the communique is not an agreement and does not have any legal binding force upon either signatory.

On 17 August, the Senate Foreign Relations Committee invited the U.S. official responsible for the negotiations on the joint communique, former Assistant Secretary of East Asian and Pacific Affairs John Holdridge, to attend a hearing. Following the hearing, the Foreign Relations Committee raised a series of questions and, according to records recently released by the committee, the State Department had made the following important clarifications regarding the joint communique:

One: The 17 August joint communique is not an agreement; it is only an instrument in which future U.S. policies toward Peking are manifested. It has no binding force on either party.

Two: The qualitative and quantitative limits imposed on future U.S. arms sales to Taiwan under the joint communique denote only general principles, not rigid definitions.

Three: The quantity of weapons to be sold to Taiwan means only a general trend, without any limitations on actual amount. Moreover, inflation will be taken into account when prices are determined.

Four: Article 6 of the communique stipulates that the amount of future U.S. arms sales to Taiwan will be gradually reduced, however, no specific time limit had been determined.

Five: During the negotiations, Washington insisted on not setting a definite date for the termination of arms sales, and Peking should be aware of this stand.

Six: The final solution stipulated in Article 6 of the communique only means the resolution of differences between Washington and Peking in regards to weapons sales. However, no further explanation is furnished; and the United States will not agree to set a final date to terminate sales to Taiwan.

Seven: The United States has never recognized Chinese communist sovereignty over Taiwan; and its stand on this issue is identical to that stated in the Shanghai communique.

U.S. OFFICIALS MAY MEET WITH TAIWAN DIPLOMATS

OW130435 Taipei International Service in English 0100 GMT 13 Jan 83

[Text] THE CHINA TIMES [CHUNG KUO SHIH PAO] reports from Washington that the U.S. State Department has officially announced for the first time that the Republic of China representative for the Coordination Council for North American Affairs, or CCNAA can meet with American Government officials. However, the State Department has indicated that these meetings will be of a private and personal nature. By making this disclosure, said the paper, the State Department has hinted that the quality of the unofficial relations between Taipei and Washington has been upgraded. However, to forestall Chinese communist protests, the State Department has stressed that these meetings will be conducted on a private and personal basis.

At a regular press briefing at the State Department a week earlier, the spokesman was asked to comment if Frederick Chien the new CCNAA representative in Washington, would be received by State Department officials and whether or not Chien -- who arrived in the U.S. capital on January 6 -- would meet with Shultz. This question was answered in a written reply Monday which stated that the CCNAA is the counterpart of the American Institute in Taiwan, or AIT, with its head office in Arlington, Virginia. He said the contact between the United States and Taiwan is maintained through these two nongovernment organizations. If Chien meets American Government officials, the spokesman added, it will be of a private and personal nature.

Observers in Washington, however, have interpreted the State Department's reply as hinting at the possibility of Chien's meeting Shultz on, quote, social occasions. Up to now, the highest State Department official CCNAA representatives have met has been the assistant secretary of state for Pacific and East Asian affairs. Even those meetings have been arranged through Chairman of AIT David Bean and have taken place publicly.

Meanwhile, also reporting from Washington, THE CHINA TIMES quotes a State Department spokesman as revealing that a decision will be made within this week in regard to the request by mainland Chinese tennis ace Hu Na to seek political asylum in the United States. It is believed that the State Department will suggest that the Immigration and Naturalization Service approve Miss Hu's case. By making this decision prior to Secretary Shultz' upcoming visit to Peking, the paper said, the Reagan Administration is making it clear that it is paying no heed to Chinese communist threats to break off sports and cultural ties with the United States in retaliation for Miss Hu's approval of asylum.

GOVERNMENT ADOPTS 1983 'WORKING PROGRAMS'

OW150345 Taipei CNA in English 0254 GMT 15 Jan 83

[Text] Taipei, Jan 15 (CNA) -- Premier Sun Yun-hsuan Friday called on heads of government agencies to deal with new challenges by applying new concepts and new methodologies in the coming year. Speaking at a panel discussion attended by cabinet ministers and heads of provincial and municipal governments, Sun said President Chiang Ching-kuo's new year's message will be the guidelines on which working programs of the various government agencies should be based.

Following an exchange of opinions, the meeting adopted a variety of working programs, covering almost all major tasks to be tackled this year:

In political affairs, the government will amend the election law to ensure the successful completion of the central parliamentary election. During the year, several new legislations will be introduced and the old ones will either be revised or repealed. This includes enactment of the public order law, the amendment to the social reform measures, the crackdown on corruption, the juvenile crime prevention and improvement of traffic order.

In foreign affairs, the main work problems will focus on the improvement of Sino-American relations, the strengthening of friendly relations with those nations having diplomatic ties with the ROC and broadening substantive relations with those having no official links here.

Regarding national defense, efforts will be focused on the speedy phaseout of obsolete weaponry, development of an advanced arms arsenal and promotion of the national defense industry so as to establish a self-sufficient defense system.

In economic affairs, the government will continue to provide financial relief to ease industrial strains.

Encouragement of foreign investment and technical cooperation, promotion of industrial automation, development of the automotive industry, streamlining of agriculture, setting up offshore banking, building a world trade center, expansion of international shipping and planning mass rapid transit will be among the projects to be carried out this year.

In culture, science and technology, efforts will be focused on extension of vocational education, opening a university whose courses may be taken by watching television recruitment of Chinese scholars from abroad, and promotion of cultural and recreational activities.

And as for social development, the government will strengthen such projects as infra-structural construction, community development, medical care and rural reconstruction.

#### TAIWAN 'NOT BOUND' BY UN SEA LAW CONVENTION

OW130335 Taipei CNA in English 0248 GMT 13 Jan 83

[Text] Taipei, Jan. 13 (CNA) -- Foreign Minister Chu Fu-sung said Wednesday that the Republic of China, not being a signatory to the United States Convention on the Law of Sea, will not be bound by the provisions as stipulated under this international accord. However, he said this country would conditionally accede to the convention which was signed by more than 100 nations in last December and is expected to come into force in two or three years.

Chu made the remarks while testifying at a meeting of the Foreign Affairs Committee of the Legislative Yuan concerning the government attitude toward the newly adopted international pact which is to be accepted universally.

As for the problem with the Philippines of claims on overlapping territory as sea, he said the government has created a special study group for an in-depth analysis of the issue. Members on the team include officials from the ministries of foreign affairs, economic affairs and the interior, he said.

As for the protection of fishing rights in the 200-mile economic zone between the Philippines and this country, he said the problem will be solved automatically once the issue of territorial overlapping at sea is settled. However, he said, the overlapping issue remains a dispute that not only involves this country, and the Filipino Government has not yet reached accord with its other neighboring nations either.

The foreign minister pointed out that the Law of the Sea Convention covers a wide range of complex issues and how it will affect this country remains unknown. But he said the Foreign Ministry has contracted a research agency to conduct a thorough study and propose recommendations as to what proper steps the government here should take.

The convention which was signed by 117 countries in Jamaica on Dec. 10 covers 445 articles in 17 chapters, including nine appendices, he said.



Signatories include most Third World nations, Russia and the Peiping regime. Countries refusing to sign the documents included the United States, West Germany and Japan, total 33 in number. Main provisions of the convention cover such issues as the territorial limits at sea being limited to 12 miles, foreign ships being entitled to free passage over the area. Economic zones will not exceed 200 miles measures from the baseline of the coastal state outward. Coastal states will have the exclusive right over the continental shelf covering an area of at least 200 miles but not beyond 350 miles from the baseline. Every country has the right to navigate, fly over the high seas and lay cable beneath it.

PRESIDENT CHIANG HEARS MILITARY CHIEFS' REPORTS

OW120411 Taipei CNA in English 0240 GMT 12 Jan 83

[Text] Taipei, Jan. 11 (CNA) -- President Chiang Ching-kuo Tuesday presided over a military meeting at the presidential office and listened to working reports given by Defense Minister Adm Soong Chang-chih, Chief of General Staff Hau Pei-tsun, and commanders-in-chief of various branches of the armed forces. The president expressed satisfaction over the achievements made by the armed forces in practicing thrift and diligence, strengthening combat readiness, and safeguarding the security of the national revival bastion. He encouraged the armed forces personnel to further consolidate unity and demonstrate the spirit of team work so as to build up the nation's defense.

In the past year, the president said, the Peiping regime had encountered many difficulties, while the Chinese communist armed forces also underwent a series of big changes. Although Teng Hsiao-ping attempted to seize control of the military power, it would be very difficult for him to succeed because Peiping armed forces have different backgrounds, different lines of thinking, and different conflicts among themselves. The president pointed out that the Chinese communist armed forces are divided and their situation will become even worse with the deterioration of turmoils on the China mainland.

President Chiang then stressed that the strength of an army is its unity instead of the numbers of soldier. As the national revolutionary army has inherited the glorious tradition and revolutionary spirit of Whampoa Military Academy, it has, therefore, the unity of thinking, tight organization, and strict training, thereby making it a strong and modern revolutionary force, he emphasized. President Chiang again exhorted the armed forces personnel to spare no effort in sharpening their thinking, strengthening their discipline, cultivating their fighting morale, and modernizing their equipment and training. He called their attention to crush the Peiping regime's united front tricks as well as its ambition of aggression by remaining in a state of high vigilance and preparedness.

In conclusion, President Chiang expressed his confidence that the Chinese Armed Forces will have the will power and strength to meet any challenges, overcome any difficulties, and accomplish the revolutionary task to annihilate the Chinese communists.



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